



No. 1/V 6775 A 53



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PT. 11

INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

US Senate - 118

HEARINGS

BEFORE THE

SPECIAL COMMITTEE TO INVESTIGATE ORGANIZED CRIME IN INTERSTATE COMMERCE UNITED STATES SENATE EIGHTY-FIRST CONGRESS

SECOND SESSION

AND

EIGHTY-SECOND CONGRESS

FIRST SESSION

PURSUANT TO

S. Res. 202

(81st Congress)

A RESOLUTION AUTHORIZING AN INVESTIGATION OF
ORGANIZED CRIME IN INTERSTATE COMMERCE

PART 11

PENNSYLVANIA

OCTOBER 13, 14, 1950; AND FEBRUARY 19, 20, 1951

Printed for the use of the Special Committee To Investigate
Organized Crime in Interstate Commerce



SPECIAL COMMITTEE TO INVESTIGATE ORGANIZED CRIME IN
INTERSTATE COMMERCE

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ALEXANDER WILEY, Wisconsin

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SCHEDULE OF EXHIBITS

Number and summary of exhibits	Introduced on page	Appears on page
1. Copy of statement, dated Aug. 9, 1950, prepared by Samuel Rosenberg, Director of Public Safety, Philadelphia, Pa., re bureau of police vice and gambling suppression activities, and a statement from Craig D. Ellis to Mr. Rosenberg entitled "Analysis of Reports of Arrests from Jan. 1, 1946, to June 30, 1950"	2	303
2. Report of Michael McDonald's suspension from Police Department, Philadelphia, Pa.	45	(2)
3. Letter dated July 19, 1949, from George F. Richardson, assistant superintendent of police, Philadelphia, Pa., to Daniel P. Sullivan, operating director, Miami Crime Commission.	150	(4)
4. Official minute book of the Strunk Steel Co., identified by William M. Strunk.	164	(2)
5. Police record of Harry Stromberg, alias Nig Rosen.	248	309

² On file with committee.

⁴ Pt. 1 of committee's hearings.

INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

FRIDAY, OCTOBER 13, 1950

UNITED STATES SENATE,
SPECIAL COMMITTEE TO INVESTIGATE
ORGANIZED CRIME IN INTERSTATE COMMERCE,
Philadelphia, Pa.

The committee met, pursuant to call of the chairman, at 10:30 a. m. in courtroom No. 1, United States Courthouse, Ninth and Market Streets, Philadelphia, Pa., Senator Estes Kefauver (chairman of the committee) presiding.

Present: Senators Kefauver (chairman) and O'Connor.

Also present: Rudolph Halley, chief counsel; Alfred M. Klein and Downey Rice, assistant counsel; John N. McCormick, George H. Martin, and Martin F. Fay, investigators.

Max H. Goldschein and Justinus Gould, Special Assistants to the Attorney General of the United States.

The CHAIRMAN. The committee will come to order.

We appreciate your cooperation and willingness to help us in our inquiry, Judge Sloane and Mr. Rosenberg. What do they call you?

Mr. ROSENBERG. Director, among other things.

The CHAIRMAN. We have a rule that all of our witnesses will be sworn.

Do you solemnly swear the testimony you will give the committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ROSENBERG. I do.

Judge SLOANE. I do.

TESTIMONY OF SAMUEL H. ROSENBERG, DIRECTOR OF PUBLIC SAFETY, AND JUDGE JOSEPH SLOANE, COMMON PLEAS COURT NO. 7

Mr. KLEIN. Director, you have prepared a statement, I believe, as of August 8, dealing with the activities of the Bureau of Police in suppressing vice and gambling. Do you have that statement with you?

Mr. ROSENBERG. Yes. I have another copy. I believe I gave you one. Do you wish another copy?

Mr. KLEIN. If you will.

Suppose we do this. I would like to offer this for admission into the record.

The CHAIRMAN. It will be made a part of the record as exhibit 1 to the testimony of Director Rosenberg.

Mr. KLEIN. I would also like to offer a statement from Inspector Craig D. Ellis, commanding officer of the Philadelphia vice squad, to the director of public safety, dealing with the arrests, and an analysis of the reports of arrests, for the period from January 1, 1946, to June 30, 1950, of gambling, vice, and liquor-law violations, which I would also like to make a part of the record.

The CHAIRMAN. That will be made a part of the record.

(The documents referred to were identified as exhibit No. 1, and appears in the appendix on p. 303.)

Mr. ROSENBERG. May I suggest that you date Inspector Ellis' report the same as the statement, August 8, 1950? I see we neglected to date that.

The CHAIRMAN. Yes; it will be. In this connection, is the information in these reports confidential?

Mr. ROSENBERG. No; it is not.

The CHAIRMAN. Would you like to give it to the press, or that we give it to the press?

Mr. ROSENBERG. You can do as you wish, Senator.

The CHAIRMAN. Would it be worth-while public information?

Mr. ROSENBERG. I would think so. We are certainly glad to have it disseminated.

The CHAIRMAN. Do you have sufficient copies to give to the members of the press?

Mr. ROSENBERG. The press is aware of the contents. At the time it was made, this was given to them.

The CHAIRMAN. Both of these have been given to the press?

Mr. ROSENBERG. No; I think just the one.

The CHAIRMAN. You mean your statement?

Mr. ROSENBERG. That is right.

The CHAIRMAN. Is there any objection to releasing the report to you?

Mr. ROSENBERG. No; there is no objection in making any use.

The CHAIRMAN. I did not know whether it was something for our confidential information.

Mr. ROSENBERG. No.

The CHAIRMAN. Very well.

Mr. KLEIN. Director, you say in your statement that to your knowledge there is no single daytime gambling establishment in Philadelphia.

Mr. ROSENBERG. That is correct.

Mr. KLEIN. You also say that there are no big syndicates and no games.

Mr. ROSENBERG. In the sense that the newspapers generally picture that, I believe that is so.

Mr. KLEIN. Will you tell the committee what your information is as to the operation of numbers banks in Philadelphia?

Mr. ROSENBERG. The best information I have is that they operate in sections. There may be one section in west Philadelphia, another section in south Philadelphia, another group in east Philadelphia, another group in north Philadelphia; but there is no tie-in.

Mr. KLEIN. Between the various gangs—

Mr. HALLEY. How do they allocate territory without a tie-in?

Mr. ROSENBERG. I really don't know that. I am not that intimately acquainted with their operations.

Mr. HALLEY. They do allocate territories; don't they?

Mr. ROSENBERG. I don't know that.

Mr. HALLEY. You don't have gang wars among them?

Mr. ROSENBERG. No; we haven't had any gang wars. We had a shooting here some months ago.

Mr. HALLEY. You actually have a number of banks operating throughout the city in different sections; is that right?

Mr. ROSENBERG. That is right.

Mr. HALLEY. And with no outward flare-up in the form of serious conflict?

Mr. ROSENBERG. There has been no flare-up; no.

Mr. HALLEY. Wouldn't you draw the inference that they must have some agreement among themselves?

Mr. ROSENBERG. No; I wouldn't at all. I would attribute that to good police work.

Mr. HALLEY. You mean your policemen keep each group in its own section? You wouldn't want to say that; would you?

Mr. ROSENBERG. They keep chasing them all the time.

Mr. HALLEY. You would be bound to chase one into somebody else's territory once in a while.

Mr. ROSENBERG. Our object is to chase them out of town.

Mr. HALLEY. Have you succeeded?

Mr. ROSENBERG. I think we have. I think it is very difficult for them to operate in Philadelphia.

Mr. HALLEY. Do you say they are not operating now?

Mr. ROSENBERG. No; I do not. I don't say that gambling isn't in existence in Philadelphia; certainly not.

Mr. HALLEY. To the extent they are operating, they seem to have the territories allocated among themselves; do they not?

Mr. ROSENBERG. I couldn't take an oath that that is so. I don't know that that is so, but there is an inference that that may exist.

Mr. HALLEY. If that exists, may I ask you to build an inference on an inference, and say, if there is an inference that they allocate the territory, there must be an inference that there is some connection between the various banks?

Mr. ROSENBERG. I can't come to that conclusion; no.

Mr. HALLEY. We will have to go ahead. This is just our start. I just wanted your view on it, sir.

Excuse me, Al.

Mr. KLEIN. Do you know who is the principal operator of the west Philadelphia bank?

Mr. ROSENBERG. No; I don't. Inspector Ellis would have better information than I would in that regard.

Mr. KLEIN. The same answer holds for the various other sections of the city?

Mr. ROSENBERG. That is right.

I am not personally acquainted with the operation of this activity. I mean, I haven't the intimate knowledge that, for instance, Inspector Ellis would have.

Mr. KLEIN. You don't get reports on the operations of these various numbers gangs?

Mr. ROSENBERG. Only the result of the activity of the police.

Mr. KLEIN. In the form of arrests?

Mr. ROSENBERG. That is right.

Mr. KLEIN. Who has charge of enforcement of law with respect to gambling?

Mr. ROSENBERG. I would say that that is up to the entire police department. There is no one man in charge of it. We have a vice squad, and then each police division has its own plain-clothes men who are charged with the suppression of vice in that division.

Mr. KLEIN. How is the city divided up as to police enforcement?

Mr. ROSENBERG. The vice squad has city-wide jurisdiction. The police divisions are 7 in number, and that covers the entire city. For instance, the fifth police division is in charge of West Philadelphia; the second is central Philadelphia, and so on.

Mr. KLEIN. Is the vice squad independent?

Mr. ROSENBERG. In what respect?

Mr. KLEIN. To whom is the vice squad accountable?

Mr. ROSENBERG. To the superintendent of police.

Mr. KLEIN. To the superintendent of police?

Mr. ROSENBERG. And to myself.

Mr. KLEIN. And to yourself?

Mr. ROSENBERG. Yes.

Mr. KLEIN. You have indicated that you believe there are still gambling operations?

Mr. ROSENBERG. Oh, yes.

Mr. KLEIN. In Philadelphia?

Mr. ROSENBERG. There always will be, Mr. Klein.

Mr. KLEIN. Are you aware that it is common knowledge, in connection with that gambling operation, that payments are made to police officers?

Mr. ROSENBERG. I have never been able to prove that.

Mr. KLEIN. You have never been able to prove it?

Mr. ROSENBERG. We have asked for proof, and have never been able to obtain it.

Mr. KLEIN. What efforts have you made to check up on that common knowledge?

Mr. ROSENBERG. We have done this: For instance, as far as the vice squad is concerned, about a year ago, if such a condition existed, we instituted a policy of changing the personnel of the vice squad, and I would say at the present time there is practically a complete change of the vice squad; and that goes on constantly, and will go on in the future. Men are changed from time to time. So if such a tie-up would exist, that would break it up. And in addition to that, we have changed a number of our police inspectors who are doing excellent work, and that is reflected in these statistics, which shows a sharp rise in the activity of the local police. By "local," I mean the divisions, a sharp rise in their activity as compared to the vice squad.

We have taken these inspectors and put them in the sections that we feel are the worst. I feel they are doing an excellent job, and in each case they have been told time and again, were told when they were sent in there, that they would be held personally responsible for conditions in the division, that they have absolute control of the division, that they had complete leeway, could select their own men who were to handle vice, and that is what has been done.

Mr. KLEIN. You have left it entirely in the hands of your inspectors?

Mr. ROSENBERG. No. So far as responsibility is concerned. In other words, they have been given complete freedom of police activity.

There is nobody holding them back. There isn't a place in the city of Philadelphia that is immune from arrest. For this reason, if I may pursue that a bit further, any gambling that may be going on could never be sure of protection, because they could be raided by any number of four different groups. They could be raided by the vice squad, they could be raided by the division inspector, they could be raided by the captain of the district, they could be raided by what was formerly called the crime prevention division. So it would be impossible for a place to be guaranteed immunity, because there would be at least four independent groups that could hit them, and any arrangement which they might make with one would be a precarious thing because they wouldn't know but that the next minute one of these other groups might come in and raid them.

Mr. KLEIN. They might, however, make arrangements with all four.

Mr. ROSENBERG. That would be impossible, in my opinion.

Mr. KLEIN. Why?

Mr. ROSENBERG. Because of the confidence that I have in most of them. For instance, take Inspector Murphy in West Philadelphia, in whom I have absolute confidence. I am sure that nobody could make an arrangement with him. West Philadelphia was one of our worst sections.

Mr. KLEIN. You said that you have confidence in most of your officers. Am I to take it from that, that you don't have confidence in all of them?

Mr. ROSENBERG. That is right.

Mr. KLEIN. In what percentage do you not have confidence?

Mr. ROSENBERG. I couldn't give you a percentage, Mr. Klein, but one of our worst draw-backs is the civil-service regulations in existence in Philadelphia, originally intended to be on the merit basis, but which have put us in an absolute strait-jacket. In other words, it is absolutely impossible for me to demote a man unless I can prove a case that would stand up in court, and in police matters that is very difficult. I have no authority to demote a man, nor have I authority to promote a man, strangely enough. I must take them from civil-service lists in most cases, and in order to demote a man I must prove a case which would stand up before the civil-service commission and subsequently in court. Suspicion is something in most cases impossible to prove as a matter of court record. You just couldn't do it.

Mr. KLEIN. In other words, so far as the handling of the police themselves in promotion or demotion, your own feelings, your own attitude is of no account? You are shackled in that respect?

Mr. ROSENBERG. Absolutely.

We had one case of an inspector who we felt wasn't doing an aggressive job. I at no time made an accusation that he was dishonest. It might be that the person just hasn't sufficient aggressiveness to do the job. We thought we had proven a good case. We went before the civil-service commission and lost out.

The CHAIRMAN. What is the name of that man?

Mr. ROSENBERG. It happened to be Inspector Hardiman.

Mr. KLEIN. Some few weeks ago, you shook up the vice squad, and among others whom you apparently removed from the vice squad was Lieutenant of Detectives Clarence Ferguson. Another officer whom you apparently removed from the vice squad was Detective Charles Perkolup. Can you give us their background?

Mr. ROSENBERG. That happened more than a couple of weeks ago, Mr. Klein. It was part of the policy of changing the personnel of the vice squad.

Mr. KLEIN. You used the expression "for the good of the service" in justification of that change.

Mr. ROSENBERG. No. That was incorrectly reported in the newspaper. They were simply transferred out of there. I did not use that expression.

Mr. KLEIN. Are Lieutenant Ferguson and Detective Perkolup men in whom you have absolute confidence, as you have in Inspector Murphy?

Mr. ROSENBERG. I don't know them that intimately, but it was part of the policy of changing the vice squad which started a year ago, and it was their turn to go.

Mr. KLEIN. How long had Ferguson been in the vice squad?

Mr. ROSENBERG. I am not sure of the number of years, but it was quite a long time. I would guess 10 or 15 years.

Mr. KLEIN. Perkolup had been there approximately the same time?

Mr. ROSENBERG. I would guess so. That is available, if you want the exact information. I don't have it with me.

Mr. KLEIN. To get back to the question I asked before, you have indicated that there are a number of officers in whom you do not have absolute confidence. Are they ordinary patrolmen, or are they of higher rank?

Mr. ROSENBERG. I would say that they would go all the way from patrolman up, but in most cases it would be impossible to prove it. In some cases it may be either inability or unwillingness to do the job.

Mr. KLEIN. You wouldn't classify them as dishonest?

Mr. ROSENBERG. I would only classify a man dishonest who I could prove was dishonest, and I couldn't prove that any of these were dishonest.

Mr. KLEIN. Are you basing your suspicions on information received, or is it from your own investigation?

Mr. ROSENBERG. From lack of activity along certain lines.

Mr. KLEIN. Will you name for the committee those officers from the rank of lieutenant up, in whom you feel you don't have full confidence?

Mr. ROSENBERG. I don't think that is fair, Mr. Klein, because I couldn't be specific to that extent. In the first place, I am not familiar with the over 5,000 personnel in the bureau of police. I haven't a personal acquaintanceship with any of them.

The CHAIRMAN. I think the record on this point is probably well made on that. If you have any specific ones in mind about whom you think information would be helpful to the committee, we would be glad to have that. Of course, this is an executive session.

Mr. ROSENBERG. I understand that, but lack of confidence would not necessarily mean dishonesty. For instance, there might be a crime situation in a certain neighborhood, and I feel the man can't handle it, aside from vice. I have lack of confidence in him. I feel he hasn't got what it takes to clean the situation up; but I will not accuse the man of being dishonest unless I can prove that he is dishonest. I may feel that way about it, but I could never prove it in court.

There were three inspectors who were removed from their commands.

The CHAIRMAN. Who were they?

Mr. ROSENBERG. Inspector Hardiman, Inspector Connor, and Inspector McFarland.

The CHAIRMAN. What do you mean by "removed from their commands"; they were transferred?

Mr. ROSENBERG. Transferred to headquarters.

Mr. KLEIN. They were not reduced in rank, though, were they?

Mr. ROSENBERG. We couldn't reduce them in rank.

Mr. KLEIN. On account of that civil-service restriction?

Mr. ROSENBERG. That is right.

The CHAIRMAN. That was Hardiman, Connor—

Mr. ROSENBERG. And McFarland. They were replaced by acting inspectors.

The CHAIRMAN. What is the situation about them?

Mr. ROSENBERG. They are at headquarters.

The CHAIRMAN. What is the trouble with them?

Mr. ROSENBERG. I felt that they weren't doing an aggressive job in their divisions.

Mr. KLEIN. Director, have you any suggestions to offer to the committee that would help in the formulation of legislation that would curb gambling, particularly as it is affected by interstate ties?

Mr. ROSENBERG. I refer to my letter to Senator Kefauver dated February 15, 1950, which I assume is in your file.

The CHAIRMAN. Yes, it is, and we will place the letter in the record at this point.

(The letter referred to is on file with the committee.)

Mr. ROSENBERG. I do know that so far as gambling joints in the accepted sense of the term, they don't exist in Philadelphia. So far as slot machines, they are practically nonexistent. I am sure of that. There are not commercialized houses of prostitution. The other activities are engaged in furtively. I feel we have a good record for enforcement. I definitely feel that you are never going to eliminate gambling, no matter how aggressively you pursue it. A continuing drive of that nature takes a lot of men, and police work locally throughout the country is constantly expanding. There are other demands for services. In most cases, local police departments aren't given sufficient men.

I might point out to you, for instance, that in traffic control, which may seem remote to your committee, 30 or 40 years ago, possibly 3 or 4 percent of our personnel was detailed to traffic. Today, 20 percent are detailed exclusively to traffic.

I bring that out to show that there are more and more demands for police work, and we can't take all our policemen and put them on vice. It is just impossible.

Mr. KLEIN. In that connection, what percentage of your officers are detailed to vice?

Mr. ROSENBERG. I would have to take a hurried guess. All of them, of course, if they see anything illegal, should go after it.

Mr. KLEIN. I understand.

Mr. ROSENBERG. I would say, very hurriedly, that possibly 75, in round figures, are specialized in vice.

Mr. KLEIN. Seventy-five percent?

MR. ROSENBERG. No, no, 75 policemen.

MR. KLEIN. Out of a total of how many officers?

MR. ROSENBERG. Out of a total presently of a little over 4,000 patrolmen.

MR. KLEIN. Do you believe that 75 men out of 4,000 patrolmen are sufficient?

MR. ROSENBERG. I could never say that there was a sufficient number, Mr. Klein. The only time you would ever reach that point is when you felt you had driven gambling out of the city, which I don't believe could be done with 25,000 policemen, because, human nature being what it is, you are just never going to stop gambling. The big money that is always present there is always attractive to people, and you are never going to get them to stop.

The CHAIRMAN. Senator O'Connor?

Senator O'CONOR. I have several questions I would like to ask, but I would like to wait until after the judge testifies.

MR. ROSENBERG. I might say it has been a help to us, the changing attitude of the courts, and with all due regard to Judge Sloane, I think I helped initiate and make the courts a bit conscious of their responsibility in that direction. I don't believe I am disclosing any confidence when I say that in the early part of this year, I approached the courts and asked them to be a bit more realistic in their handling of gambling cases, as that would be a big help to the police department. I am very glad to say that we have had very good cooperation as of recent months from Judge Sloane and several of the other members of the common pleas bench.

The CHAIRMAN. Suppose, Mr. Klein, you ask Judge Sloane at this time. When we have finished, we will ask either the director or Judge Sloane any questions.

Judge SLOANE. May I see either you or Mr. Rosenberg a minute? I want to suggest something. I thought it ought to be very quietly.

MR. KLEIN. Suggest it on the record. We are in executive session.

The CHAIRMAN. That is all right. Surely.

(Discussion off the record.)

The CHAIRMAN. Before we proceed with Judge Sloane, we want to take our witnesses in pairs. Mr. Richardson, is Mr. Kelly with you? We want to call both of you in just a little while, and will you wait outside until we call you back?

(Mr. Richardson and Mr. Kelly left the room.)

MR. ROSENBERG. May I say one more thing in my testimony?

The CHAIRMAN. Yes, sir.

MR. ROSENBERG. On May 15, there appeared a news story, a statement given by Senator McFarland, in which he said that any head of a police department who wanted to get a list of places receiving information could have it by writing for it. Do you recall that statement?

The CHAIRMAN. Yes, sir.

MR. ROSENBERG. On the very same day, I wrote to Senator McFarland, and unfortunately did not receive a reply. However, some time later the Evening Bulletin managed to get a list, without our knowledge; and, again without our knowledge, they took the list, sent reporters to every one of those places, and gave the results in the paper. Not a one was found to be in existence, not a single one.

The CHAIRMAN. I saw that in your statement here.

Mr. ROSENBERG. I didn't know I referred to it. I wrote that statement some time ago. I thought I ought to mention that.

The CHAIRMAN. There has been a wire service here, has there not, from Camden?

Mr. ROSENBERG. There has been suspicion it has been coming from Camden; yes.

The CHAIRMAN. Do you know of any drops in the city at all?

Mr. ROSENBERG. No; I don't.

The CHAIRMAN. Now, Senator O'Connor.

Senator O'CONOR. I would rather hear Judge Sloane first, except, Senator Kefauver, whether or not Director Rosenberg would like to add anything further at this time.

Mr. ROSENBERG. No. I was as frank with you as I could have been. I would have preferred that we be here alone, but it doesn't matter. One of our worst strait-jackets is our civil-service laws, and originally its purpose was to make promotions on merit and to protect people, but it has been an absolute strait-jacket, certainly in police work. Police are a military organization, and you just can't run a military organization with civil service commissions.

The CHAIRMAN. That is a law particularly for the State of Pennsylvania?

Mr. ROSENBERG. The State of Pennsylvania.

The CHAIRMAN. Is it applicable to all the cities in the State?

Mr. ROSENBERG. It is applicable to most of the cities, but certainly to Philadelphia. Philadelphia is the only first-class city, so-called, under our legislation. In Pennsylvania, Philadelphia is the only first-class city, and the legislature makes it mandatory that promotions all the way up the line be by civil service commission.

The CHAIRMAN. It is a State law, but it is passed peculiarly or particularly for the city of Philadelphia?

Mr. ROSENBERG. Yes.

The CHAIRMAN. All right, proceed with Judge Sloane.

Judge SLOANE. Before you get to me, might I interject, you do have a difference of opinion between a man like Inspector Murphy who, in the words of the street, is a damned good cop, and a man like Ferguson, don't you?

Mr. ROSENBERG. Oh, definitely; sure.

Judge SLOANE. In other words, you would rely absolutely on Murphy, whereas you might not on Ferguson?

Mr. ROSENBERG. That is right.

Judge SLOANE. You see, there is a certain frankness here that he might not have been able to give, with the assistant superintendent of police here.

Mr. HALLEY. May I ask a question before you start, Judge?

Mr. ROSENBERG, naturally before coming here we received a lot of information, and there seems to be a lot of at least hearsay, rumor, that a great many, certainly not all of any police department or even the majority, but enough to cause real trouble, of the people in the police department, are working with these policy bankers.

Mr. ROSENBERG. That might be so.

Mr. HALLEY. You think it might be so?

Mr. ROSENBERG. Absolutely.

Mr. HALLEY. Of course, those things are extremely hard to prove.

Mr. ROSENBERG. That is my point.

Mr. HALLEY. And even harder for the man in the department to prove than for an outsider.

Mr. ROSENBERG. I would be very naive if I sat here and told you that every member of the Philadelphia Police Department was absolutely honest and wouldn't take a nickel.

Mr. HALLEY. There seems to be some assertion that what corruption does exist—and I am in no position to say it does exist—but the assertions are that if it does exist, it is on a fairly well-organized basis, with the patrolman on the beat getting a certain amount, and turning part of it over to his superiors on up the line.

Mr. ROSENBERG. That, I do not believe. It has never been proven, and I don't believe it exists. I believe if there is bribery, it is on a haphazard basis, certainly so since I have been in there, because we have tried to make it impossible, and I know it is impossible today for a place to run and be absolutely sure that they are not going to be hit. That is impossible.

Mr. HALLEY. Of course, they don't mind being hit, if they are not hit too hard.

Mr. ROSENBERG. I know what you mean, the convenience arrests. I know that. I mean, we have agencies. For instance, let's take Murphy. Judge Sloane mentioned Murphy. I know absolutely that nobody can take care of Murphy, and nobody can take care of Kronbar in South Philadelphia.

Mr. HALLEY. There would be no question, in any decent police force, that the number of bad men you would have to have would be a very small number and still be able to produce an extremely serious situation.

Mr. ROSENBERG. Bear in mind, too, there is some significance to this. I have mentioned Kronbar and Murphy. They are in the two worst sections of the city of Philadelphia, and I have complete confidence in them. That is where our worst trouble is, and it represents, in round figures, probably a third of the city's population. I know that nobody can take care of them. So it isn't a question of an arrest of convenience in their case. Anybody operating in West Philadelphia doesn't know when he is going to be hit.

Mr. HALLEY. Would it be your view, then, that some corruption probably exists, but it is on a haphazard basis?

Mr. ROSENBERG. That would be my view.

It is also my view that you are never going to eliminate it in a big metropolitan area. You might be able to do it in a city of 3,000 people, but we have a metropolitan population here of close to 4,000,000 people who live here or work here or come here for shopping or business.

Mr. HALLEY. Does this corruption reach up into the executive members of the police force?

Mr. ROSENBERG. Not in my opinion.

Mr. HALLEY. Would you say it goes beyond the rank of, say, lieutenant?

Mr. ROSENBERG. No. You have the wrong rank. We have no lieutenant in the police department.

Mr. HALLEY. Say, Captain, would you think any of your captains might be giving protection?

Mr. ROSENBERG. It may have in the past. I don't believe it exists today.

Mr. HALLEY. What would you think would be the highest rank in which you would expect to find any corruption?

Mr. ROSENBERG. It is just a guess. For instance, let's take Superintendent Sutton, in whom I have implicit faith. If someone showed me that he did anything wrong, I would just throw my hands up and quit. I don't believe it exists up to the rank of inspector today, because in our four worst sections I have men there that I don't believe would take a nickel, in the four worst sections.

Mr. HALLEY. Do you think there is any political support for corruption?

Mr. ROSENBERG. With all due modesty, I don't believe it exists today or has existed since I have been in there.

Mr. HALLEY. You think that any improper arrangements that exist receive no aid or comfort from any political figures?

Mr. ROSENBERG. Not to my knowledge; but again, I am not in a position to take an oath, nor is anyone else, that it doesn't exist.

Mr. HALLEY. Of course.

Mr. ROSENBERG. There may be informal understandings, but, I say again, it is awfully difficult for them to carry them out, because I feel we are in very good shape.

Mr. HALLEY. You think the policy banks are down to a minimum?

Mr. ROSENBERG. I don't know what a minimum means. I do know this, and I repeat this: It is becoming more and more difficult for them to operate, and our raids indicate that, the number of banks that have been hit, the number of bookmaking establishments that have been hit. I don't mean bookies, but headquarters. The number of arrests which have been made, particularly in the past year.

Mr. HALLEY. You mean during 1950?

Mr. ROSENBERG. No; I go a little beyond that. And, in all modesty, I take some credit for it.

Mr. HALLEY. Thank you.

Mr. KLEIN. How long have you been director of public safety?

Mr. ROSENBERG. Since March of 1949.

Mr. KLEIN. What did you do before that?

Mr. ROSENBERG. I was secretary to the mayor.

Mr. KLEIN. How long were you secretary to the mayor?

Mr. ROSENBERG. I was secretary when Mayor Lamberton went in in 1940, and continued in the mayor's office under Mayor Samuel until March of last year.

Mr. KLEIN. You are a member of the Philadelphia bar?

Mr. ROSENBERG. Yes.

The CHAIRMAN. All right, let us question the judge.

Mr. KLEIN. Judge Sloane, we would like to hear from you the attitude of the courts toward this matter of gambling in Philadelphia. That attitude, I understand, has stiffened in the last few months, and according to a report you were the prime mover in the stiffening of that attitude. I would like you to tell the committee what you know about judicial handling of gambling cases.

The CHAIRMAN. First, Judge Sloane, you are judge of the common pleas court?

Judge SLOANE. That is right.

The CHAIRMAN. How long have you been judge?

Judge SLOANE. May 14, 1937.

The CHAIRMAN. The common pleas court is the criminal court for the trial of this kind of case?

Judge SLOANE. When a judge sits in criminal court he is not called a judge of common pleas. He is called a court of quarter sessions or oyer and terminer or general delivery. We are not like New York, where they have special judges sitting in criminal courts. We have general civil jurisdiction, and general criminal jurisdiction above a certain amount.

The CHAIRMAN. How many judges are there?

Judge SLOANE. There are 21. There are seven courts, and three in each court.

The CHAIRMAN. Do you try cases with a court of three, or do you try cases individually?

Judge SLOANE. No. We try them individually. When there is a motion for new trial, then there is a court en banc, which may consist of two or three.

The CHAIRMAN. There are 21?

Judge SLOANE. There are 21 judges of my equivalent.

The CHAIRMAN. All right, sir.

You remember the question, so go ahead Judge.

Judge SLOANE. I suppose I ought to say I speak for myself. So far as stiffening is concerned, for myself, I don't think I stiffened much, because I always took the position that while gambling on the books is a misdemeanor, it is not a felony, that its after-effects or its continuing effects are rather severe. In one word, demoralization. That included police, that included minor judiciary; I hope no others. It included the general citizenry. The general casual and cavalier outlook on this thing bothered me all the time, so I have been sending them to jail, not on the first offense and perhaps not on the second offense, but I wanted some focus of point, some long finger of the court, to show that this demoralization was at least not being countenanced by us, by me, by us.

Recently, as the director said, there has been much talk about it. For example, the dockets became very crowded, as you suggested. When the director called attention to it—and Sammy Rosenberg is, in my opinion, an absolutely honest director and is trying his best to clean up any situation. I think, of course, that he can't clean it up with all the ramifications that are bound to exist at some echelon, and I suppose it is humanly impossible to do so. He has been in the department, as he says, only since 1949.

Recently we have, I guess, stiffened a little bit, although as I say, if I had the same men who had come before me previously there now, I think I would have done the same thing. Of course, I can't tell.

The big thing, in my mind, is the demoralization that occurs. I don't think in Philadelphia we have the big names that apparently are rumored all over the country, names that you know. I, for one, have not been able to catch what might be called the big fry.

Mr. KLEIN. Is that because the police don't catch the big fry?

Judge SLOANE. I don't know what to say, Mr. Klein. I have been indoctrinated with the belief that a man is not guilty until he is proved guilty beyond a reasonable doubt. I hear many a rumor. I will put it that way. I get many a suspicion. But every time a man comes before me, I will say to him, I think without fail I say to him, "Whom

did you get it from? Whom do you bank with? Whom do you turn these slips over to?"

I can almost give him the answer, because it comes so often.

Senator O'CONOR. At this point, is it not so self-evident, in view of the extent of operations, that there must be a higher group?

Judge SLOANE. Yes.

Senator O'CONOR. In other words, while you very frankly stated that you haven't been able just to put your finger on it, there must nevertheless exist a higher group?

Judge SLOANE. I am convinced of that. When a man says to me, he may be untutored but he is not unintelligent, when he says to me, "I meet a man on the corner, and what's his name, Jim, John, Joe, and I just hand it to him and he gives me any share," if that keeps on going I can't help but believe that he does know and won't tell, and is willing to take the rap; or, if he is fined, that somebody is paying the fine for him. I have had instances of that. Or that he has been cajoled or threatened into not telling.

Senator O'CONOR. May I ask this, Judge? In the handling of the cases at your level in the higher courts, has there been evidence at all that the individuals have on prior occasions run afoul of the law or come into contact with it, and possibly received very lenient treatment at the lower level?

Judge SLOANE. As it looks now; yes.

Senator O'CONOR. If such did exist, I thought that you could be of inestimable value in giving us the benefit of your sound judgment in regard to the possibility of a different type of treatment at the lower level.

Judge SLOANE. Yes. For instance, I take a record—I am sorry I didn't bring one—and I see, for example, "Lottery—discharged; Lottery—discharged; Lottery—discharged; Lottery—discharged," three or four times. It may be perfectly all right, I don't know, because I am not there at that time. It may have happened 2 or 3 years ago. It may have happened in the sequence. But it does, as Senator O'Conor says, give me a feeling that something happened there.

Mr. KLEIN. Does the record show in each case the name of the magistrate or the judge?

Judge SLOANE. Yes.

Mr. KLEIN. And does that occur with frequency before the same magistrate?

Judge SLOANE. I can't say that, Mr. Klein. Magistrates differ. We have how many, 48?

Mr. ROSENBERG. About 27.

Judge SLOANE. Twenty-eight.

Mr. HALLEY. Judge Sloane, what is the average fine given to policy bookmakers on the first arrest?

Judge SLOANE. It is hard to put an average on it.

Mr. HALLEY. What would you say is the maximum?

Judge SLOANE. The maximum under the act, of course, is a \$500 fine and an indeterminate sentence, the maximum of which is a year, but they vary from \$25 to \$50. I very seldom have seen any over \$200 or \$250.

Mr. HALLEY. On the first arrest?

Judge SLOANE. Yes.

Mr. HALLEY. On the second arrest, do they run higher?

Judge SLOANE. A little higher.

Mr. HALLEY. On the third arrest, have they been going to jail?

Judge SLOANE. I would say generally no. I would say generally no. I just had a man who had eight arrests. It is a matter of public record, so I can mention his name.

The CHAIRMAN. What is his name?

Judge SLOANE. William Braverman. He is now in jail. He has the newspaper stand at the Ben Franklin lobby. From 1938 until now, he has had seven or eight or nine arrests and convictions. He never has been in jail.

Mr. HALLEY. And he never paid a fine of over \$200 or \$300?

Judge SLOANE. No, not over that. I am talking from memory now.

Mr. HALLEY. We have seen some information that a single book will make as much as \$10,000, \$20,000 and \$30,000 a day gross.

Judge SLOANE. That I don't know.

Mr. HALLEY. If there is any truth in that, a \$200 fine would not mean too much, would it?

Judge SLOANE. I would say generally it doesn't mean a thing.

Mr. HALLEY. That is what I was about to ask you.

Judge SLOANE. It doesn't mean a thing.

Mr. HALLEY. Judge, when you have a man before you and he is about to plead guilty and pay his fine, and you ask him who he works for, naturally he doesn't know, or it is a guy named Joe?

Judge SLOANE. Right.

Mr. HALLEY. Could you impose a jail sentence on his plea of guilty and another jail sentence for contempt of court, and send him away for a couple of years; and if you did, what would happen?

Judge SLOANE. I don't think I could do the latter. I would be reversed almost forthwith.

Mr. HALLEY. On the contempt?

Judge SLOANE. Yes.

Mr. HALLEY. When a person says he doesn't know who he is in business with, isn't it an obvious untruth?

Judge SLOANE. No, it is not so untruth—you are a lawyer, aren't you?

Mr. HALLEY. Yes.

Judge SLOANE. You and I can talk on the same level.

Mr. HALLEY. I used to prosecute, and I sent one or two away for doing just that.

Judge SLOANE. Don't forget, on contempt, you know how far our United States Supreme Court has gone, certainly recently, on the question of contempt.

Mr. HALLEY. Yes.

Judge SLOANE. An open contempt, which I suppose you are talking about, contempt in court, in the presence of the court, is one that has to be a plain, manifest situation. When he says, "I don't know," that is not so plain and manifest that I can show that he is dead wrong and that he is lying. I have no way of proving that he does know. I am saying to you that since it has happened so often, I don't believe them.

Mr. HALLEY. Suppose you merely gave them the maximum on their policy-book operation in such a case, do you think that would have a beneficial effect?

Judge SLOANE. I don't think it would have a beneficial effect in the sense that it would make him open his mouth, because I think he would rather take that rap than find himself busted up, possibly, or in threat of it.

Then, of course, being a firm believer, as I think I am, and hope I am, in not giving a man the third degree, but in trying, if at all possible, through the director to see to it that the police, in the old words of *Maitland v. Pollack*, don't sit in the shade and rub pepper in a man's eyes rather than go out into the sun and seek the evidence, if that can be done that would be the much better way. I think there are higher-ups.

Mr. HALLEY. When you ask a man in open court, at a public hearing, for some facts, and he doesn't give them, you are not third-degreeing him.

Judge SLOANE. No, I am not third-degreeing him, but——

Mr. HALLEY. Would you be subject to criticism in the press?

Judge SLOANE. That doesn't worry me.

Mr. HALLEY. Public opinion is important.

Judge SLOANE. Yes, but it wouldn't worry me if I thought in my own good conscience I was doing the right thing.

Mr. HALLEY. Do you think you can break up these rackets without going at them with a really strong approach?

Judge SLOANE. Yes, I think you need a strong approach, but you must have help. You can give them jail sentences, but that is not enough.

Mr. HALLEY. What else would do the trick?

Judge SLOANE. I think a strong enforcement by men like Murphy and the other names he has mentioned.

Mr. HALLEY. Of course, the superintendent has just explained that he can't do it alone.

Judge SLOANE. He can't do it alone, but if he takes his end, and when they come before me I take my end, it will help. But I can't——

Mr. HALLEY. Isn't it the judicial end to take the fellow who won't talk and show him that the forces of justice are as strong and emphatic as the forces that tend to keep his mouth quiet?

Judge SLOANE. I agree with that, but how far can we go? Your question, for example, is: Can I hold him in contempt? I say that under the law, I don't think so, under the decisions, I can give him a maximum of 6 months to a year on that charge.

Mr. HALLEY. I guess we have about exhausted the subject.

Mr. KLEIN. Judge, it has come to our attention in the examination of some criminal records, that guilty defendants have been sentenced and subsequently their sentences have been reconsidered by the judge who originally imposed the sentence, and they have apparently gotten off with either no punishment or very light punishment, although the punishment originally inflicted might have been a deterrent to the defendant. Is that a common practice?

Judge SLOANE. I can't speak for the other judges, Mr. Klein, but for myself, I doubt whether you will find one reconsideration.

Mr. KLEIN. I know in the case of Judge Sloane that is virtually impossible, but it is done by other judges.

Judge SLOANE. I have heard of its being done, yes. There may be circumstances that come in, I don't know. This Braverman I sent to jail, they want me to let him out because they say he has multiple

sclerosis. I have had five doctors examine him. The doctors in the prison say he will do as well in the jail. So there he is. But if, in a month from now, the superintendent of the prison tells me he is going to die if I keep him in jail, it is probable that I will let him out, because I don't want a man to die on my hands because of that kind of offense.

Mr. KLEIN. In your experience, is pressure ever brought to bear on the courts to be lenient with these racketeers?

Judge SLOANE. Yes.

Mr. KLEIN. Where does that pressure come from?

Judge SLOANE. It comes from parents, wives, bringing in their children. I don't know whether I am foolish to see them, but I see them all. It comes from committeemen.

Mr. KLEIN. It comes from political connections?

Judge SLOANE. It comes from committeemen. They try to do it in a way that indicates they are just trying to help out. In other words, they try to divorce it from the very idea of politics. What they say is, "I am the committeeman in the division, and they all look to me," and I am sure there is truth to that. "In view of the situation in the family, see what you can do." Sure they come in.

Mr. KLEIN. Is that true of the other judges, as well?

Judge SLOANE. I don't know.

The CHAIRMAN. Do they come to you in private, or come to you in open court?

Judge SLOANE. No; they come to you in chambers. They will walk in.

The CHAIRMAN. When court is open?

Judge SLOANE. No; they come to your office, after the thing is over. Sure they come in. They don't come in regularly, but they have been in. I would be telling you an untruth if I didn't tell you that.

Mr. KLEIN. Have you ever had any approach from a political source higher than a committeeman?

Judge SLOANE. No. Well, let me think. There may have been a ward leader, but not higher than a ward leader.

The CHAIRMAN. Are these Democratic and Republican?

Judge SLOANE. Yes; it makes no difference.

The CHAIRMAN. They are both here in Philadelphia?

Judge SLOANE. Oh, yes; they are both here.

Mr. KLEIN. As a matter of fact, Judge Sloan is a Democratic judge.

Judge SLOANE. I am a Democrat personally. On the bench, I hope I am nonpartisan.

The CHAIRMAN. Senator O'Connor?

Senator O'CONNOR. I was just going to ask, Judge, in general if your understanding of the situation coincides with Director Rosenberg's, not that I wish to bring out any differences, but I just wonder if in general you agree?

Judge SLOANE. I doubt that Sammy and I will ever fight. We may differ.

Senator O'CONNOR. I meant whether your appraisal is the same.

Judge SLOANE. I am inclined to think that there is more than the director said. It is not because he is not right, because, as I say—I want to preface it again, even though it is repetition, that there is a real director, I told it to others, so I can tell it to his face, doing the best job he can. But I do think there are higher-ups.

Senator O'CONOR. The point I was trying to come to was this: Without in any sense casting any reflection on the director, who of course has been in for just a little over a year, whether there may not have been conditions existing at the time he took over——

Judge SLOANE. Senator, you have hit it on the head.

Senator O'CONOR. Which, despite his vigilance and his fine work, nevertheless cannot be eradicated.

Judge SLOANE. He has police in his department—as he said, he is stymied and handicapped by the restrictions of the Civil Service Act. He has men in there before him that are nowhere near the men that he would take if he could get them. That is the reason I wanted Richardson out of here.

Mr. ROSENBERG. If I may, Judge, wouldn't you say you think conditions have improved in the past year?

Judge SLOANE. Absolutely, they have. Absolutely.

Senator O'CONOR. I was the prosecuting attorney right here in the adjoining city of Baltimore for 11 years, State's attorney, as we call it there, for 11 years. We did have knowledge or information bearing upon the existence of definite crime and rackets here in the city, as well, of course, as in other large municipalities. I was wondering whether in the recent past that has not continued to such a degree that you felt very definitely, as a well-informed citizen of the community, that there was in existence a definite racket with protection from the authorities?

Judge SLOANE. There is a definite racket. How much the protection is, I don't know. The only guess I can make is that since we haven't gotten the higher-ups, there must be some protection. That is a guess. Please understand. If you were to ask me how I could prove it, I couldn't give you one line of proof. But the inference that I make is that since I have not been able to get a real higher-up, somehow or other he has been able to escape it.

Senator O'CONOR. In what I said, I did not wish to cast any aspersions on Philadelphia as such, or to indicate it is any worse than others.

Judge SLOANE. That is all right.

Senator O'CONOR. I was just trying to get at certain facts.

Judge, from your knowledge of the very nature of the operation, for example, of the numbers racket, which of course, of its essence, is essentially different from any other law violation, do you not think that it is necessary to have some protection, or that officers must either wink at the violations or be indifferent, in order that they can flourish and that there can be an operation of a bank such as we do understand exists here?

Judge SLOANE. My flat answer is "Yes." I don't see how it could be otherwise, in my own thinking, because why do we get the small ones and we don't so far as I know, get any of the big ones, unless they don't exist; and I don't see how they can help but exist. Somebody is higher up. How high up, I don't know. I don't think we go to the extent, I repeat, of what I read about in New York or some of the other places. We are a small city in that respect, too, perhaps.

Senator O'CONOR. Director Rosenberg, at this point, if I might ask you this question: Whether you, from your experience of over 10 years as the mayor's secretary and as the director, feel that in the lower level in the judiciary, for example, under the courts of common pleas and

oyer and terminer, there has been an attitude different from that which you think is conducive to the best law enforcement?

MR. ROSENBERG. There has been, but our recent figures show that better than 80 percent of our cases are held for court, and I feel that that is a pretty good average.

Judge SLOANE. It has improved that much.

MR. ROSENBERG. Yes; it has. Prior to that time, I think it was closer to 60 percent. But now, over 80 percent of our cases are held for court.

It may surprise Judge Sloane to know this, but prior to this year, Judge, I don't believe that you will find that two people were ever sent to jail in the last 5 years.

Judge SLOANE. Really?

MR. ROSENBERG. Absolutely. They weren't sent to jail. They were fined nominal fines; and when I got the figures, that was the thing that brought me to the board of judges back in February.

Senator O'CONOR. Director Rosenberg, not questioning the accuracy of your statement, may it not be that while percentage-wise that improvement might have been noted, which is, of course, very much to be applauded, nevertheless there might still exist, or there might have existed in the recent past a situation where, among certain of the magistrates, maybe in a relatively few cases percentage-wise but might nevertheless represent quite a grave situation in a given locality, that there has been an attitude other than that which is the best?

MR. ROSENBERG. That is true, but I believe in the past year they have been afraid to do it. The question has been raised about higher-ups. There is no doubt that they exist, absolutely. The small fellow on the corner doesn't run his own bank. We know he doesn't, and he doesn't write his own numbers. But it is difficult to get a higher-up and catch him right in the bank or catch him with numbers. They have become very cautious, particularly in the last year. They don't carry that paraphernalia with them. We have stopped them on the streets any number of times and searched them, and searched the cars, and found nothing on them.

Senator O'CONOR. Have you had information, for example, as to the operations of the "Nig" Rosen bank?

MR. ROSENBERG. My information is that he does not operate in Philadelphia.

Senator O'CONOR. Even if not here physically, whether or not he has any connection with operations which are here?

MR. ROSENBERG. To the best of my knowledge, he doesn't.

Senator O'CONOR. I don't mean information that you could take into court and prove beyond a reasonable doubt, but rather, that which as a good, efficient, and vigilant director you would have heard and would possibly justify some suspicions on your part.

MR. ROSENBERG. The information I have would indicate the contrary, that he is not here.

Senator O'CONOR. Does he have any affiliates?

MR. ROSENBERG. The people that I have confidence in tell me that he doesn't.

Senator O'CONOR. In connection, for example, with the Ferguson demotion—and it was, in fact, a demotion, if not in rank at least it

was generally considered to be a demotion—what work is he now doing?

Mr. ROSENBERG. He is assigned to headquarters.

Senator O'CONOR. But engaged in what work?

Mr. ROSENBERG. He hasn't been given a definite assignment.

Senator O'CONOR. So it is obvious that there is, on your part, a feeling that the important work with which he has been entrusted previously should not be assigned to him now?

Mr. ROSENBERG. I felt that way about the vice squad, Senator.

Senator O'CONOR. Specifically, I am taking his case up, that you would not have acted the way you did if you had not had good reason. Certainly, you had no prejudice against that man?

Mr. ROSENBERG. Of course not. I hardly know him.

Senator O'CONOR. Director, do you feel that in his case, for example, there were connections that he had, or that there were situations immediately under him, that were not given proper attention by the authorities?

Mr. ROSENBERG. I couldn't prove it, Senator.

Senator O'CONOR. Had you information that caused you to take that summary action?

Mr. ROSENBERG. Not information that could be proved, no.

Mr. KLEIN. Did you have any suspicion?

Mr. ROSENBERG. Suspicion of the entire vice squad was pretty widespread. You heard all sorts of fantastic stories.

Mr. KLEIN. They were sufficiently strong, as rumors, to warrant action on your part?

Mr. ROSENBERG. That is right.

Senator O'CONOR. Has there been any betterment since his transfer?

Mr. ROSENBERG. You wouldn't note it that soon, Senator, but I feel that we have noted a betterment in the last year.

If I may point this out, let's take the year 1946, when there was a total of 1,137 lottery arrests. This year, for the first 6 months alone, we far surpass that total.

Senator O'CONOR. In the Ferguson case, as will happen in all such instances, after a change is made and a man has been demoted and he has been taken away, information comes forth that otherwise is not obtainable. It probably would come to the director. In other words, once he has been taken away from the spot, it would be natural that there would be disclosed some things that were existing.

Mr. ROSENBERG. That takes a little time, Senator, because if you put a green man into an activity of this sort, it takes him possibly months before he picks up what is going on.

Senator O'CONOR. Following the question I asked before with regard to "Nig" Rosen's part in the situation, have you any information as to the "Nig" Rosen or Weisberg connections?

Mr. ROSENBERG. No. Our information is that they are not in Philadelphia. They operate together. We have that information. Is that what you meant, Senator O'Conor?

Senator O'CONOR. Yes.

Mr. ROSENBERG. Yes. We understand that they are closely affiliated, and have been for years.

Senator O'CONOR. With regard to the extent of their operations, even though your information may not be the kind you could take into

court and prove, have you any idea that you could give to Senator Kefauver and to the committee as to the extent of operations, what your best estimate is as to the ramifications?

Mr. ROSENBERG. In Philadelphia?

Senator O'CONOR. Yes.

Mr. ROSENBERG. None.

Senator O'CONOR. They were here before?

Mr. ROSENBERG. That is going back too many years for me to be able to discuss.

Mr. KLEIN. We have other witnesses on that.

Senator O'CONOR. There is no other definite information that you have which might be of value to the committee in following through as to the existence of operations that might tie in this city with other cities outside the State, for instance?

Mr. ROSENBERG. No. Our people feel there isn't a close tie-up, except possibly with a man named Reginelli, who operates in South Jersey and who supposedly has connections with Philadelphia.

Senator O'CONOR. Is your information as to whether that is an extensive operation?

Mr. ROSENBERG. The best information I have is that the tie-up took in South Philadelphia.

Senator O'CONOR. Have you any idea as to the volume?

Mr. ROSENBERG. No. That is just the wildest sort of a guess.

Senator O'CONOR. That is all.

The CHAIRMAN. I have one or two questions.

In the first place, Judge, or Mr. Rosenberg, is the possession of coin machines illegal in the State of Pennsylvania, or is it the operation of them?

Judge SLOANE. Slot machines? That is illegal.

The CHAIRMAN. Possession of them?

Judge SLOANE. Not the possession of them.

The CHAIRMAN. This Keystone distributor here apparently has the whole territory for Pennsylvania and New Jersey. Is their operation within the law?

Judge SLOANE. I don't know what their operation is. This is the first time I have heard of that name.

Mr. ROSENBERG. You mean pinball machines or slot machines?

The CHAIRMAN. Yes.

Mr. ROSENBERG. I don't believe you will find many slot machines in Philadelphia, Senator. It is illegal, definitely.

The CHAIRMAN. I was asking about the Keystone Panoram Co. here in Philadelphia, that has the distributorship for them. Have you investigated this Keystone Panoram Co.?

Mr. ROSENBERG. No, we haven't, but the reason we wouldn't be brought in that direction is because, I say again, there are practically no slot machines in the city of Philadelphia except possibly in some Legion posts and down at some officers clubs at the navy yard. There were in the past. I understand they have since been taken out. You won't find many slot machines in Philadelphia.

The CHAIRMAN. I had understood that some of your police captains and what-not have very substantial wealth; that they are able to have big homes and motorboats and things of that sort, on a salary of \$5,000 a year? Is that it?

Mr. ROSENBERG. For an inspector, about that.

The CHAIRMAN. \$4,500 for a captain, something like that? How do you account for that?

Mr. ROSENBERG. I couldn't account for it.

The CHAIRMAN. Do you think that raises a suspicion about them, if they have no other means of income?

Mr. ROSENBERG. Possibly it would, unless they could show where they obtained their income.

The CHAIRMAN. Have you gone into the matter of how they got their wealth?

Mr. ROSENBERG. No, not to the extent of bringing in their books or looking at their records, no. But that sort of story prevails in any police department.

For instance, one case came to me the other day where a man with the rank of detective was supposed to live in a luxurious home, but it developed that he married a very wealthy girl, and that explains it.

The CHAIRMAN. Yes. Do you have the right to look into the matter of where they got their money?

Mr. ROSENBERG. I would question whether we had the right to do that. I think if we did that as the continuing policy—

The CHAIRMAN. How many policemen do you have in the city of Philadelphia?

Mr. ROSENBERG. By "policemen," you mean detectives, officers?

The CHAIRMAN. I mean your whole outfit.

Mr. ROSENBERG. I would say close to 5,000.

The CHAIRMAN. I think the general standard is one policeman for every 600 population? Is that it?

Mr. ROSENBERG. Some such figure.

The CHAIRMAN. So, on that basis, you would be not quite up to par?

Mr. ROSENBERG. That is right.

Might I say, in that regard, that for the first 6 months of this year we were operating with fewer patrolmen than we have had in the past 50 years in the city of Philadelphia, but that was due to vacancies which occurred and the slowness by which civil-service eligibility lists were put out. However, that is being corrected, and we are taking in new recruits.

The CHAIRMAN. How many policemen do you think you should have? What should your force be?

Mr. ROSENBERG. I would never put a ceiling on that, Senator.

The CHAIRMAN. Does the city of Camden, across the line, cause you any difficulty in enforcement?

Mr. ROSENBERG. No; except for the story that we heard, that the information for some of these bookmaking establishments had its source in Camden.

The CHAIRMAN. Judge, you said that William Braverman was recently sent to jail. When was that?

Judge SLOANE. I would say about 3 weeks ago. I sentenced him to 6 months to a year and a fine of \$250.

The CHAIRMAN. He had been arrested and was up seven or eight or nine times before?

Judge SLOANE. Something like that.

The CHAIRMAN. And just received fines of \$100?

Judge SLOANE. I don't remember the exact fines, but he got off easily. His first arrest was in 1938.

The pressure there to let him out is because he is suffering from multiple sclerosis, which I understand is true, but that a jail sentence won't hurt him.

The CHAIRMAN. Did you say nobody was sent to jail, Mr. Director, until a year and a half ago?

Mr. ROSENBERG. I didn't say nobody, Senator, but I say in the past 3 or 4 years prior to this latest stiffening of attitude, I don't believe that you will find that two people went to jail in all that time.

The CHAIRMAN. When did this stiffening of attitude come about?

Mr. ROSENBERG. In my opinion, it started just before the court closed for the summer when Judge Oliver sent a couple of them away.

When did you close, in May?

Judge SLOANE. No; the criminal courts were open all summer.

Mr. ROSENBERG. I mean the bail court.

Judge SLOANE. About June, I guess.

Mr. ROSENBERG. That was just prior to the time that I put a personal drive on to bring about a change of attitude. I say that with all kindness to Judge Sloane, whose integrity is absolutely unquestioned.

Judge SLOANE. That is perfectly all right.

The CHAIRMAN. The stiffening attitude and your drive were about when, now?

Mr. ROSENBERG. I started to contact the judges back in February of this year, as a result of our statistics, which indicated that nobody was going to jail and we were just wasting our time.

The CHAIRMAN. What do you do about all these people that you have up for trial? Apparently, according to this report, you have a lot of people arrested. Are not your dockets awfully crowded, Judge?

Judge SLOANE. They are crowded. We have what is called the criminal committee among the 21. That is made up of a judge from each of the courts.

The CHAIRMAN. How long does it take to get a fellow to trial now? All these people are out on bond?

Judge SLOANE. They are either out on bond—I guess all of them are out on bond. I don't think any of them are not able to raise his bail. The dockets are crowded. There is no doubt about that.

I mentioned the criminal committee. We have been contemplating holding a special court for this, or creating another courtroom.

The CHAIRMAN. The trouble is, you see, after an arrest 6 or 8 months elapses between the time of the arrest and the trial, and then the public just loses interest.

Judge SLOANE. That is right.

The CHAIRMAN. And nothing happens.

Judge SLOANE. That is right.

The CHAIRMAN. How long is the usual time before you can bring a fellow to trial?

Judge SLOANE. It should be 2 or 3 months.

The CHAIRMAN. What is it now?

Judge SLOANE. Some of them are much older. Some of these cases that I tried have been a year old.

Mr. HALLEY. Are these misdemeanors that are tried by a judge without a jury?

Judge SLOANE. They can be tried either way. There can be a waiver of jury trial under the act of 1925, or he can insist on a jury trial. If he insists on it, he has to have it.

Mr. ROSENBERG. In most cases, they plead guilty, don't they, in many of them?

Judge SLOANE. In many of them. That is better.

The CHAIRMAN. Judge, we have had some information or some rumors about Judge Harry S. McDevitt. Is he one of your judges?

Judge SLOANE. He is dead. He died last April.

The CHAIRMAN. How about Patrolman McDonald, Mr. Director?

Mr. ROSENBERG. That was a case which took an unfortunate turn. I took a position which I felt I was right in, and I still think I was right in it. He was a patrolman; a couple of what we call deputy inspectors—and who, in the police parlance, are called ginks—who go and see whether the men are doing their job, he was caught and made a very unsatisfactory explanation as to what he was doing at that place, which was a suspected bookie joint. We suspended him and sent him to the police trial board. He refused to be tried by the police trial board, went to the civil-service commission, and was found not guilty.

We were so outraged by the verdict that we transferred him out of the motor bandit unit in which he was operating at that time, to West Philadelphia.

In going to West Philadelphia, he came under the command of Inspector Murphy, to whom I have referred previously. He made an arrest of a bookie on the street while he was off duty, and in uniform. Normally we would encourage that sort of thing, but the situation made both the superintendent and myself suspicious.

Incidentally, before the case came to me, he was suspended by his captain. I didn't learn of it until after he had been suspended by his captain. We sent the case to the police trial board. Again he refused to be tried by the police trial board, which, incidentally, has never before happened in the history of the department, but which he has a right to do. He went over to the civil-service commission, and they fired him.

Inspector Murphy took the view that he was being treated badly, and yet, strangely enough, in the preceding case Inspector Murphy testified against McDonald. So it was a difference of opinion. I thought that Murphy—

The CHAIRMAN. Did McDonald not say that the money was being paid to Sergeant Saline?

Mr. ROSENBERG. He never said it to me or anyone that I know of. He said a lot of wild statements which were never proved. I asked Inspector Murphy about him, and I said to him, "Do you think, in view of this man's record, that we are better off with him or without him on the police force?" That was the view I took. Inspector Murphy definitely said that we are much better off without him on the police force. Yet he took a peculiar twist in this case, and I feel he is dead wrong. I think we are better off without McDonald, in spite of the clamor that was raised. I felt the newspapers made a martyr out of a man who didn't deserve to be made a martyr out of.

The CHAIRMAN. How about Captain Strange? Did he try to implicate him, too?

Mr. ROSENBERG. Not that I ever heard of. Captain Strange was not his superior officer at the time. He was in the previous unit where we transferred him out of. In my opinion, that was much ado about nothing.

The CHAIRMAN. Any further questions, Senator?

Senator O'CONOR. I would like to ask, in regard to Superintendent Richardson, just what is your feeling as to his situation?

Mr. ROSENBERG. I have nothing I can prove against Superintendent Richardson, except I feel I don't have the confidence I should have in the man who is the head of the detective division.

Senator O'CONOR. His position is a pivotal one?

Mr. ROSENBERG. It isn't any more, Senator. I have more or less operated the detective division under the direction of Inspector Doyle.

Senator O'CONOR. What is his nominal position?

Mr. ROSENBERG. Inspector of detectives, second in command.

Senator O'CONOR. That, in itself, is not a very fortunate situation; that the man who is at the head of it, the superintendent, who ought to be the lead, is more or less relegated to an inferior place, and the actual command of it is in the hands of the second official.

Mr. ROSENBERG. That isn't a healthy thing, but I couldn't prove anything against Superintendent Richardson.

Senator O'CONOR. But apparently, the information you think is at least reliable enough to cause you to take his subordinate as the one to be the better trusted?

Mr. ROSENBERG. That is right.

The CHAIRMAN. All right, anything else?

Mr. KLEIN. That is all. Thank you very much, Judge.

Mr. ROSENBERG. May I say this off the record?

The CHAIRMAN. Yes; off the record.

(Discussion off the record.)

Mr. KLEIN. About 10 days or 2 weeks ago, I wrote to Attorney General Margiotti and told him that the former special deputy attorney general indicated that in connection with the case of former Chief Magistrate O'Malley, he had turned over his records and files to the attorney general's office, and I asked Mr. Margiotti whether he would give us access to those files; that Mr. Eldredge, the deputy attorney general, had told us there was information in those files that would undoubtedly be of interest to the committee.

I said to him in a letter, it would be very helpful to us if we had access to those files, and I didn't think it necessary to serve a subpoena for them; and if, in the interest of expedition, he would let me know, I would be very glad to send someone up to confer with him about the matter. I have yet to receive an answer.

Mr. HALLEY. We sent a man to Harrisburg yesterday.

Mr. KLEIN. For the other information, yes, sir.

The CHAIRMAN. They refused to give him the information?

Mr. HALLEY. They said first they wouldn't give him the information. The man we are talking about is the secretary of the State board of pardons. He said on advice of the attorney general, he didn't think he could give the information, but he would be here this morning to discuss it with the committee.

This morning, instead of being here, he telephoned and said that the attorney general of the State of Pennsylvania had advised him not even to come here, and that the attorney general didn't want to do any more about the matter until the attorney general had conferred with the State board of pardons and until the attorney general had checked certain constitutional questions which he thinks might affect the necessity of producing these papers.

I believe, under the circumstances, the suggestion made by Senator O'Connor should be followed; that we should say to the attorney general, send a message to him immediately by telephone, by Assistant Counsel Rice, that the committee feels that the message must be wrong; that we couldn't possibly understand that the attorney general of the State of Pennsylvania would not want the secretary of the State board of pardons at least to appear here and talk to the committee as cooperatively as possible; and that, in fact, we can't understand that the attorney general himself would not want to do that; and we ask that they both appear here as soon as possible, as a matter of request by this committee.

The CHAIRMAN. I would say that they either get the information here that we want, or appear here.

Senator O'CONNOR. If I may modify that just a little in the last respect, my suggestion was not that they appear themselves. I rather thought that if Mr. Margiotti was contacted and it was made plain—although I think everything that has been done is very proper in all respects, nevertheless I am assuming possibly it was not brought to his attention in the way it should have been—if, through the committee counsel here, he would be contacted, he might very well give the word to bring the information down rather than come himself.

Mr. HALLEY. Can we go to the second step, that if he, as he may be expected from what we hear, begins to talk at some length about the law, we then say that in that case the committee would very much appreciate his coming down and talking to the committee about it?

The CHAIRMAN. Yes; if he refuses to comply with the first request, that he instruct the secretary of state, or somebody, to come down here and give us the information, then I think we ought to invite him down.

Mr. HALLEY. You see, when this committee comes to a city for 2 days of hearings, and the committee has a very full and busy schedule, the one thing the committee really needs is the cooperation of local officials. If the attorney general of the State has to think for a week about whether he will cooperate, it amounts to noncooperation, because by the time the week is over, the committee members are pursuing other duties in other places.

Senator O'CONNOR. The only point I had was not a dissent in any sense. It was just a little different method of procedure. I felt that, as the attorney general of the State, we had to assume he would be willing to do it upon proper request. I hesitated to put him in the position of being ordered down here.

Mr. HALLEY. That is thoroughly right.

The CHAIRMAN. I think we have it understood.

What do you think about confirming the telephone conversation with a telegram, setting forth the essential facts?

Mr. RICE. I understand Margiotti is at the Bellevue.

Mr. FAY. He is going to be there at 11 o'clock this morning.

The CHAIRMAN. Let us get in touch with him along these lines: That we want his cooperation, and hope he will instruct the people to come on down. If he does not, we would appreciate his coming over here and discussing the matter with us. We want this information, and we expect his cooperation in getting it to us.

Mr. RICE. I think it amounts to ignoring the subpoena.

The CHAIRMAN. Has he a subpoena?

Mr. RICE. There was a subpoena issued. He was told there was one waiting for him: that is, the secretary of the board. He said he preferred not to have it served on him by a marshal; that he would appear here this morning.

(Discussion off the record.)

The CHAIRMAN. Do you both solemnly swear the testimony you will give this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. RICHARDSON. I do.

Mr. KELLY. I do.

The CHAIRMAN. All right, Mr. Klein.

TESTIMONY OF GEORGE F. RICHARDSON, ASSISTANT SUPERINTENDENT OF POLICE IN CHARGE OF DETECTIVES, AND JOHN J. KELLY, PATROLMAN, ACTING DETECTIVE

Mr. KLEIN. Superintendent Richardson, what is your full name?

Mr. RICHARDSON. George F. Richardson.

Mr. KLEIN. And your home address?

Mr. RICHARDSON. 1329 Tyson Street.

Mr. KLEIN. And your rank in the Philadelphia Police Department?

Mr. RICHARDSON. Assistant superintendent of police, in charge of detectives.

Mr. KLEIN. How long have you held that rank?

Mr. RICHARDSON. Ten years.

Mr. KLEIN. What was your rank before that?

Mr. RICHARDSON. Just a moment. Assistant superintendent since 1947. Previous to that I was inspector from 1940.

Mr. KLEIN. How long have you been in the Philadelphia Police Department?

Mr. RICHARDSON. This is my thirty-fourth year.

Mr. KLEIN. I take it that over your long experience, you are thoroughly—

The CHAIRMAN. Let us get Mr. Kelly identified.

Mr. KLEIN. I beg pardon.

Mr. Kelly, will you give us your full name?

Mr. KELLY. John J. Kelly.

Mr. KLEIN. Your home address?

Mr. KELLY. 1541 Wynsam Street, Philadelphia.

Mr. KLEIN. Your rank?

Mr. KELLY. Patrolman, acting detective.

Mr. KLEIN. You are associated with Superintendent Richardson in his office?

Mr. KELLY. Yes, sir.

Mr. KLEIN. Superintendent, over these many years you have become familiar with the gambling set-up in Philadelphia, I take it?

Mr. RICHARDSON. That is right.

Mr. KLEIN. Will you tell the committee, in your own way, what you know about it?

Mr. RICHARDSON. I haven't been assigned to gambling. The last time, I think, was about 1942, or before that. I executed a few raids here in Philadelphia and over in Camden, and one or two since that time. I would say it would be about 3 years ago. I made a few arrests, I think in 1947, wasn't it, John?

Mr. KELLY. 1947 and 1948, I think.

Mr. RICHARDSON. Yes; at 810 Walnut Street. We entered the premises there and got a party of 10 men around a table, telephones, loud-speaker coming in with the results of the races. We arrested them and had them down at the court, and they were fined a large sum of money.

Mr. KLEIN. Who were they?

Mr. RICHARDSON. Samuel Lit, John Koste—

Mr. KLEIN. K-o-s-t-e?

Mr. RICHARDSON. Yes, John Koste. And several others, three or four others there. A fellow by the name of Cohen. I can't recall just offhand now.

The CHAIRMAN. This is in 1948?

Mr. RICHARDSON. Yes, about 1948.

Mr. KLEIN. Superintendent, you have made a long study of certain characters who have notorious criminal records in this and other areas. Let me get down to cases. Do you know Harry Stromberg, alias "Nig" Rosen?

Mr. RICHARDSON. I do.

Mr. KLEIN. How long have you known him?

Mr. RICHARDSON. About 20 years or more.

Mr. KLEIN. Is he a Philadelphian?

Mr. RICHARDSON. No.

Mr. KLEIN. Where does he hail from?

Mr. RICHARDSON. The last time I knew, he was on Central Park West, in New York, in one of them apartments. I just can't recall offhand what apartment house it was.

Mr. KLEIN. Has Rosen any record of criminal operation in Philadelphia?

Mr. RICHARDSON. Previous to 1934, Rosen and the mob here had what they called the edge-off in the numbers racket. Their headquarters was out beyond Sixty-ninth Street.

The CHAIRMAN. Previous to when?

Mr. RICHARDSON. 1934.

Mr. HALLEY. What is the edge-off?

Mr. RICHARDSON. That would be, in a numbers racket, where you would have a dollar or maybe a \$5 bet, they would take all of the larger bets to protect the bank. In other words, it was cutting in on a piece of business in the numbers racket.

Mr. HALLEY. He had a man named Willie Weisberg working for him?

Mr. RICHARDSON. Willie Weisberg was chauffeur for Mugsy Taylor at that time. He was probably an errand boy for "Nig" Rosen.

Mr. HALLEY. Is Weisberg still in Philadelphia?

Mr. RICHARDSON. He lives at apartment 4-B, the Wyngate Court Apartments at Fiftieth and Spruce.

Mr. HALLEY. What are Weisberg's activities today?

Mr. RICHARDSON. I don't know of any activities that Weisberg is in today, any other than going to Florida and over to New York a lot. I don't know of any particular thing he is doing just now, because I haven't seen him in the last 10 years or so, I guess, 8 or 10 years.

Mr. HALLEY. Do you know whether, up to that time, he was in the numbers racket here in Philadelphia?

Mr. RICHARDSON. No; I never knew him, but I knew him to be associated with "Nig" and Cappy Hoffman and Johnny Murphy and "Nig" Rosen.

Mr. HALLEY. Do you know Samuel Hoffman?

Mr. RICHARDSON. I do.

Mr. HALLEY. What is his business now?

Mr. RICHARDSON. I don't know what his business is, but he is associated with Weisberg, "Nig" Rosen, Mugsy Taylor.

Mr. HALLEY. Do the police keep an eye on these people?

Mr. RICHARDSON. Yes; whenever they are around here. They have not been around here for a long while, that is, in any public place. They probably would be out at Sixtieth and Spruce where they congregate in a drug store; from the information I gather that is where they make their immediate headquarters.

The CHAIRMAN. What is Sixtieth and Spruce?

Mr. RICHARDSON. That is on the southeast corner of Sixtieth and Spruce, a drug store.

Mr. HALLEY. Has Hoffman anything to do with the numbers racket today?

Mr. RICHARDSON. Not to my personal knowledge. I haven't had occasion to look into him lately.

Mr. HALLEY. Did you recently have occasion to write to somebody and say that Weisberg and Hoffman are the chief local lieutenants of "Nig" Rosen?

Mr. RICHARDSON. That is right; yes.

Mr. HALLEY. To whom did you write, and when, and under what circumstances?

Mr. RICHARDSON. I wrote to a sheriff down in Florida, Dan Sullivan.

Mr. HALLEY. The head of the Crime Commission of Miami?

Mr. RICHARDSON. He asked us for some information on him, and we gave all the information available, the same information I gave to this committee here.

Mr. HALLEY. At that time, it was November 1949, wasn't it?

Mr. RICHARDSON. I believe it was. John, here, did all the corresponding with him.

Mr. HALLEY. At that time, you said that Weisberg and Hoffman are the chief local lieutenants of Rosen?

Mr. RICHARDSON. That is right.

Mr. HALLEY. You said that Rosen, who is now a native of New York, came to Philadelphia during the prohibition era?

Mr. RICHARDSON. That is right.

Mr. HALLEY. And established himself as the kingpin of gangsters, bootleggers, and rumrunners?

Mr. RICHARDSON. Yes. That wasn't until 1934 that he was around here. In 1934, in the company of my partner, Jimmie Ryan, we raided a house out there half a block from the police headquarters.

Mr. HALLEY. Out where?

Mr. RICHARDSON. In Delaware County.

Mr. HALLEY. Where was this?

Mr. RICHARDSON. Just a half block the other side of the headquarters out there, Upper Darby, below Garrett Road.

Mr. HALLEY. At Upper Darby?

Mr. RICHARDSON. That is right.

Mr. HALLEY. What happened?

MR. RICHARDSON. As we entered the basement of this private house, we got five or six or maybe seven men there operating adding machines, and they had a couple of bushel baskets full of numbers slips. We arrested them and tried them in the Delaware County courts, and they all pleaded guilty and were convicted.

THE CHAIRMAN. When was that?

MR. RICHARDSON. In 1934.

MR. HALLEY. What kind of sentence did Rosen get?

MR. RICHARDSON. Rosen wasn't in there, but it was their headquarters.

MR. HALLEY. Rosen then moved to New York, is that right?

MR. RICHARDSON. During the probe there, there was a probe of the numbers racket by the lawyers of the bar association, and he fled this jurisdiction. We brought him back from New York. As a result of our information, he was arrested in New York, and we went there and brought him back here.

MR. HALLEY. Was he tried?

MR. RICHARDSON. He was tried here, and acquitted.

MR. HALLEY. But he then moved to New York and stayed there, is that right?

MR. RICHARDSON. That is right. He hasn't been around here, to my knowledge—maybe he might get in and out. We hear he gets in and out during the night; that he comes over here and sees different people.

MR. HALLEY. Doesn't he live at 211 Central Park West? Is that the address?

MR. RICHARDSON. I know the place very well. I think it is the Century Court Apartments.

MR. KELLY. The Century Apartments.

MR. RICHARDSON. Central Park West.

MR. HALLEY. Around Sixtieth Street?

MR. RICHARDSON. Sixtieth or Sixty-sixth, I don't know which.

MR. HALLEY. You wrote to Sullivan that although Rosen went to New York, he retained control of the local mob and personally directed its activities through Willie Weisberg, isn't that right?

MR. RICHARDSON. That is right.

MR. HALLEY. You were telling him the truth when you wrote to Sullivan?

MR. RICHARDSON. I believe it to be the truth, from my knowledge of the outfit.

MR. HALLEY. Then you said in your letter to Sullivan last November:

Rosen has connections with the underworld throughout the entire Nation. So far as the local mob is concerned, he is their undisputed leader and is commonly known as "The Mahoff."

MR. RICHARDSON. Yes.

MR. HALLEY. Is that right?

MR. RICHARDSON. Yes.

MR. HALLEY. In your job, even though, as you testified a little while ago, you have nothing directly to do with gambling today, you get to know the score?

MR. RICHARDSON. I was in the detective bureau up until last November. I was taken sick, and when I went back they put another man in charge.

Mr. HALLEY. But a good police officer, who has been on the force for 34 years, knows what goes on in his city. And you knew what you were talking about?

Mr. RICHARDSON. Yes; I knew what I was talking about when I wrote that letter.

The CHAIRMAN. That is the same thing he wrote the committee a couple of months ago.

Mr. RICHARDSON. That is right.

Mr. HALLEY. You said:

Among Rosen's followers, his word is law, and an unfortunate accident is likely to befall any member who flouts his authority.

That is the fact?

Mr. RICHARDSON. Yes

Mr. HALLEY. In New York, he is operating a dress company?

Mr. RICHARDSON. The Dearest Miss Dress, 245 West Thirty-fifth Street.

Mr. HALLEY. He has factories throughout the eastern part of the country?

Mr. RICHARDSON. I believe they have a factory up around Scranton someplace.

Mr. HALLEY. He has strong union and labor connections?

Mr. RICHARDSON. That is what we learn from the underworld, from people we interrogate. We learn different things that he is connected with.

Mr. HALLEY. Is he connected with Louis Greenberg up around Scranton; do you know?

Mr. RICHARDSON. I wouldn't know that, Counselor. I wouldn't know who he is connected with. I think they have some kind of manufacturing plant up there making dresses.

Mr. HALLEY. In the mid thirties, I think you wrote that he seized control of the Maryland Athletic Club, just outside of Washington, D. C.?

Mr. RICHARDSON. Around 1934; yes.

Mr. HALLEY. What did he do about Jimmie LaFontaine, who then ran it?

Mr. RICHARDSON. I think there was a couple of other partners in there. Of course, I don't have direct knowledge; but, from hearsay, they went down there and killed one or two persons. As a result of killing an innocent man who was a newspaperman, who had some three or four children—there was an attorney sitting at his window and he saw this man who killed him, who happened to be Sammy Harris from Philadelphia here, a gunman.

Mr. HALLEY. Did they convict Harris?

Mr. RICHARDSON. Yes. My partner arrested him and sent him to Washington, and he was convicted and sentenced to the electric chair. Then his sentence was commuted to life imprisonment.

Mr. HALLEY. Did he talk or implicate others?

Mr. RICHARDSON. No; I don't think at that time he talked, but I learned later that the car he used was sold. Who it was sold to—it was sold to somebody who had a farm or something, and they later found the shotgun, or whatever was used, in a trap in the car. It was supposed to be the car he used.

Mr. HALLEY. Who did the car belong to?

Mr. RICHARDSON. I don't know, at that time. The Washington authorities handled the whole case. I had nothing to do with it.

Mr. HALLEY. After they muscled into the Maryland Athletic Club, did Mugsy Taylor go down there to run the place for "Nig" Rosen?

Mr. RICHARDSON. There was a fellow by the name of Whitey Price from Philadelphia, who just died recently. He was the manager of that thing. Maybe 20 or 30 years ago he used to be an operator of crap games around here.

Mr. HALLEY. I thought you wrote in your letter that Mugsy Taylor went down to "front" for "Nig" Rosen.

Mr. RICHARDSON. No, I don't think I wrote that he "fronted" for "Nig" Rosen. I understood that Mugsy Taylor was a partner in it, him and "Nig" Rosen.

Mr. HALLEY. Here is what you wrote; let's see if you remember it:

Rosen is fronted for in this establishment by one Herman (alias Mugsy) Taylor, local fight promoter who has run gambling houses all his life.

Mr. RICHARDSON. My information is a little better than that. From my information, he is a partner of "Nig" Rosen.

Mr. HALLEY. He did go down there in this Maryland Athletic Club situation?

Mr. RICHARDSON. Counselor, I don't have any knowledge of him going down there, but I do have knowledge of him having a piece of it.

Mr. HALLEY. Of the Maryland Club?

Mr. RICHARDSON. That is right.

Mr. HALLEY. If he had a piece of it, he had a piece of it on behalf of Rosen and himself; is that the point?

Mr. RICHARDSON. I assumed that the activities that they conducted down there in killing a couple of people down there, one that I know of, this newspaperman—I assumed that, as a result of that, both of these guys muscled in on Fontaine.

Mr. HALLEY. Then you said "Rosen still"—I think you didn't use the word "still," but you used the present tense. You said:

Rosen controls a large part of the gambling, numbers lotteries, and horse and sports betting in the Philadelphia area, and, according to our information, in certain parts of northeastern New Jersey, New York, and near New York City. For many years he has been closely associated with Meyer Lansky of New York City, and he is believed to have a piece of the Lansky interests in the vicinity of Miami Beach, Fla., and the West, particularly at Las Vegas, Nev.

Mr. RICHARDSON. That is right.

Mr. HALLEY. All that is true? Did you ever catch Lansky here?

Mr. RICHARDSON. No; I never had him here.

Mr. HALLEY. You know that Lansky is an associate of Lucky Luciano; do you not?

Mr. RICHARDSON. Yes.

Mr. HALLEY. And Frank Costello?

Mr. RICHARDSON. That is the knowledge of the police department. "Nig" Rosen and all—

Mr. HALLEY. One of the top Nation-wide syndicates, you might say. You feel that Rosen's connection is through Lansky?

Mr. RICHARDSON. Well, yes. I don't say it is through Lansky, but he is in the outfit. From what knowledge I gather, Lansky is a brother-in-law to Rosen.

Mr. HALLEY. Are they related?

Mr. RICHARDSON. That is the information I get.

Mr. HALLEY. When Lansky went out to Las Vegas with Bugsy Siegel, was Rosen in that, too?

Mr. RICHARDSON. Years ago, him and Bugsy used to be partners; it was "Meyer and Bugsy," you see. They used to be a team, before they branched out in bigger fields. I don't know what happened to them.

Mr. HALLEY. You mean Meyer Lansky and Bugsy?

Mr. RICHARDSON. That is right.

Mr. HALLEY. Where were they partners; in Los Angeles?

Mr. RICHARDSON. They were always known to be partners—Bugsy and Meyer. Wherever you heard of one, you heard of the other—Bugsy and Meyer.

Mr. HALLEY. Did Meyer show up in Philadelphia very often?

Mr. RICHARDSON. No; we never had any knowledge of him, but he was connected here with the Wemby Juke Box Corp. in some capacity. Wasn't he vice president?

Mr. KELLY. Yes.

The CHAIRMAN. Let us get that, now. Meyer Lansky was connected here with—

Mr. RICHARDSON. Wemby Distributing Co., distributors of juke boxes.

The CHAIRMAN. When was that?

Mr. RICHARDSON. Around 1945, 1946, and 1947.

Mr. HALLEY. Don't you find almost invariably that the juke-box and pinball companies are tied very closely into the rackets?

Mr. RICHARDSON. Yes. I find the juke-box companies—from our investigation, we learn that they are tied up with it.

Mr. HALLEY. Whoever controls that business is your top batch of racketeers in any city; isn't it?

Mr. RICHARDSON. That is right.

Mr. HALLEY. You said in your letter that "Rosen is also connected with the Capone mob of Chicago and various other mobs of New York City, including the Fischetti and Longie Zwillman gangs." Have you got some detail on that?

Mr. RICHARDSON. No; I don't have any details, only that you hear from different coppers all around the country, the different police we contact.

Mr. HALLEY. From what little talk we have been doing, you have a world of information.

Mr. RICHARDSON. I have chased them for 20 years. I don't let them around here. They are never around here with my knowledge. If I find them here, I try to put them out of business.

Mr. HALLEY. How do you tie in Rosen with Fischetti in Chicago? The tie-in with Lansky is interesting. You say he is his brother-in-law, and so on.

Mr. RICHARDSON. It is all the same outfit. From what I gather, it is all the same outfit.

Mr. HALLEY. Lansky and Fischetti and Costello and that group are very tightly knit; is that right?

Mr. RICHARDSON. That is right. Wherever there is gambling or anything going, they will move in.

Mr. HALLEY. They move in pretty much together?

Mr. RICHARDSON. Yes; they do.

Mr. HALLEY. And anybody who starts playing on his own, the way Bugsy did in Nevada, is eliminated; is that right?

Mr. RICHARDSON. I guess Bugsy started in for himself a little too much, from what I can understand. He was in somebody's way for a promotion.

Mr. HALLEY. He couldn't get along with Mickey Cohen, among other things; is that right?

Mr. RICHARDSON. I didn't know anything about him and Mickey Cohen.

Mr. HALLEY. That is pretty far from Philadelphia.

Mr. RICHARDSON. Yes. I don't know much about that guy.

Mr. HALLEY. Would you say that Rosen's connection with the Fischetti group is through Meyer Lansky?

Mr. RICHARDSON. Costello and all that outfit. They are all one.

Mr. HALLEY. Do you think that Lansky is his tie-in, or does he operate independently?

Mr. RICHARDSON. Sure. He is in the outfit.

Mr. HALLEY. My point is, did Rosen have independent connections, or did he work through Lansky?

Mr. RICHARDSON. He is right in the outfit. He is one of the big Mahoffs in there.

Mr. HALLEY. Rosen himself?

Mr. RICHARDSON. With branches out in different cities, I guess.

Mr. HALLEY. He operated at the Sands Hotel in Miami?

Mr. RICHARDSON. Sands Hotel? I don't know whether he operated out of the Sands. That is where they hung out mostly, the Sands Hotel. They all stopped there, Mugsy Taylor and Willie Weisberg. I acquainted Mr. Sullivan down there about Rosen building a home down on Pine Drive; wasn't it?

Mr. KELLY. Pine Tree Drive, I believe.

Mr. RICHARDSON. I gave him all the information we have on him.

Mr. HALLEY. Pine Tree Drive?

Mr. RICHARDSON. That is right.

Mr. HALLEY. What are they doing in Atlantic City?

Mr. RICHARDSON. I don't know what they are doing in Atlantic City. Mugsy Taylor lives at 4712 Atlantic Avenue. He had a big home there.

Mr. HALLEY. I was in Atlantic City this summer, it was quite obvious that bookmaking was wide open. There was a man standing in front of my hotel taking the bets, and several clubs were open. In fact, an item appeared in the Atlantic City paper the third day I was there, right on the front page, saying that, for some mysterious reason that nobody could account for, the bookmaking and gambling joints had all closed up the night before. Are those operations in Atlantic City tied into the Philadelphia crowd?

Mr. RICHARDSON. Just through rumors. That is all I could give you; that is all. I haven't been around Atlantic City for years.

Mr. HALLEY. How does Reginelli tie in?

Mr. RICHARDSON. He is in Camden.

Mr. HALLEY. Does he have much to do with Philadelphia rackets?

Mr. RICHARDSON. Not to my knowledge. He used to be here years ago.

MR. HALLEY. Does he work with Rosen?

MR. RICHARDSON. No. He and Rosen and a couple of others were picked up over in Camden several years ago.

MR. HALLEY. How about Mugsy Taylor; is he active in Atlantic City?

MR. RICHARDSON. I imagine he is, since he has his residence there.

MR. HALLEY. And he spends a lot of his time there?

MR. RICHARDSON. That is right.

MR. HALLEY. Can you say whether the numbers racket is still active in this city today?

MR. RICHARDSON. Oh, yes, it is active here. There is an arrest made every day.

MR. HALLEY. Would you say it has decreased any?

MR. RICHARDSON. Oh, yes. I say it has decreased. A lot of people went out of business due to arrests and sending different people to jail.

MR. HALLEY. There have been persistent rumors that the people in the numbers racket pay off policemen. Have you heard such rumors?

MR. RICHARDSON. No, I never heard any rumors.

MR. HALLEY. You never heard any?

MR. RICHARDSON. No.

MR. HALLEY. At least one fellow, a policeman named McDonald, said so publicly, didn't he?

MR. RICHARDSON. Well, I don't know anything about any policeman taking any money. If he had that kind of knowledge, he ought to give it to the proper authorities.

MR. HALLEY. Didn't he? Don't you know?

MR. RICHARDSON. I don't think he did.

MR. HALLEY. You remember the McDonald case?

MR. RICHARDSON. I don't know the guy.

MR. HALLEY. You remember the case?

MR. RICHARDSON. I know of the case; yes. He brought a prisoner in, I understand, and slated him, and the argument developed that he didn't have all the evidence there at the house sergeant's which you are supposed to do when an officer makes an arrest. Outside of that, I know nothing about it.

MR. HALLEY. Didn't he say that he had been offered a bribe?

MR. RICHARDSON. No. I read of that in the newspapers; yes, from reading in the newspapers, somebody offered him a bribe.

MR. HALLEY. Is that the only case you have ever heard of any effort being made to "fix" any policeman in this city?

MR. RICHARDSON. Oh, you hear of different cases where somebody accuses a cop, but when the proper times comes they are not around.

MR. HALLEY. In all honesty, mustn't you say that at least at the very lowest levels in your police department, you are bound to have some dishonest cops?

MR. RICHARDSON. I think we have a pretty good police department here, counselor.

MR. HALLEY. Wouldn't you say just on the——

MR. RICHARDSON. I wouldn't say any cops are taking any dough off anybody; no.

MR. HALLEY. You think that would be impossible?

MR. RICHARDSON. I don't say it would be impossible, but I don't know of anybody ever taking anything.

Mr. HALLEY. You don't think it happens?

Mr. RICHARDSON. No; I don't think it happens.

Mr. HALLEY. How do these——

Mr. RICHARDSON. How could one cop or two cops straighten a guy out when you have 5,000 men around? Everybody has the same opportunity to knock a guy down or a numbers bank.

Mr. HALLEY. Of course, you have hit the nail right on the head. That is what the rumors are, that it is not one or two cops, but that the cops are operating in much more substantial numbers.

Mr. RICHARDSON. How would a cop give anybody protection?

Mr. HALLEY. How can a numbers racket operate without a pay-off for protection?

Mr. RICHARDSON. They can't operate.

Mr. HALLEY. But they do.

Mr. RICHARDSON. They may operate on the sneak.

Mr. HALLEY. You can't operate on the sneak when you are collecting from literally tens of thousands of people, nickels and pennies.

Mr. RICHARDSON. I don't know of any banks around. I haven't bothered with it. Any time that I bother with it, I walk right in and clean it right out.

Mr. HALLEY. I understand it is not your responsibility today, but you seem to be a very well informed man. I am a bit surprised at your testimony. I just arrived in Philadelphia last night, and I am just asking you about rumors I have heard. I have no charges to make.

Mr. RICHARDSON. You hear those rumors, Counselor, but I don't put any stock in them unless the guy stands up and has some real evidence on a man.

Mr. HALLEY. McDonald stood up, and it seems to me that the book got thrown at him for every indiscretion he ever committed.

Mr. RICHARDSON. I don't know anything about that case, but that is between McDonald. I don't know anything about him. I never saw the man.

Mr. HALLEY. In all the time you have been on the force, did any other cop, to your knowledge, ever say that somebody had tried to pay him off in connection with the numbers racket?

Mr. RICHARDSON. Not to my knowledge; no. Nobody ever came to me and told me anybody tried to give them any money.

Of course, that is the uniformed department. I am not in the uniformed department. I don't hear that kind of thing.

Mr. HALLEY. Do you think the numbers racket would exist without the people who run it trying to pay off cops?

Mr. RICHARDSON. I don't know anything about whether they are trying to pay them off. I don't know anybody they ever paid off.

Mr. HALLEY. Do you think, aside from your knowing about it, that——

Mr. RICHARDSON. I think they get enough pinches here. I think the cops are doing a pretty good job with them.

Mr. HALLEY. The number of pinches is increasing, is it not?

Mr. RICHARDSON. Yes; I believe it is.

Mr. HALLEY. So if the cops are really trying their hardest, you must say the numbers racket is increasing, that there are more people around to pinch?

Mr. RICHARDSON. I don't know if it has increased. I think a lot of them are getting out of it. It is a little too tough for them.

Mr. HALLEY. If the cops are doing their job, why should there be more pinches? You would expect it to go down if they were pinching these people and driving them out of business.

Mr. RICHARDSON. I think they are doing better work.

Mr. HALLEY. In the past, would you say they weren't pinching as many as they should have?

Mr. RICHARDSON. I wouldn't know that. I don't look at the record of the uniformed department.

Mr. HALLEY. How about the detective force?

Mr. RICHARDSON. The detective bureau has done a good job in the city since I have been in charge of it, 10 years.

Mr. HALLEY. When were you in charge of it?

Mr. RICHARDSON. Since 1940 until last November 1949.

Mr. HALLEY. During that time, were arrests made regularly?

Mr. RICHARDSON. Yes; good arrests were made.

Mr. HALLEY. Since last November—

Mr. RICHARDSON. Any situation that ever developed here in Philadelphia, we were pretty lucky in cleaning it all up.

Mr. HALLEY. Since last November, has the number of arrests by the detective force gone up or down?

Mr. RICHARDSON. They are doing very well with it.

Mr. HALLEY. It has gone up a bit, hasn't it?

Mr. RICHARDSON. Yes; it has.

Mr. HALLEY. That must mean that the numbers racket has increased.

Mr. RICHARDSON. We are not making the arrests on numbers. Ours is all crime, larcenies, murders.

Mr. HALLEY. Don't you have anything to do with numbers?

Mr. RICHARDSON. I don't have anything to do with it.

Mr. HALLEY. You didn't in the 10 years you were head of the department?

Mr. RICHARDSON. I did in 1947 and 1948. I arrested Jimmie Singleton, I arrested an outfit here at 810 Walnut Street, and another one out in West Philadelphia.

Mr. KELLY. Fifty-third and Springfield.

Mr. RICHARDSON. Fifty-third and Springfield. I think I conducted four or five raids, and all the men were convicted.

Mr. HALLEY. Including Singleton?

Mr. RICHARDSON. That is right.

Mr. HALLEY. How large an operation was Singleton's?

Mr. RICHARDSON. At that time, when we arrested him at Passaic Avenue and Wharton Street, we arrested him in a car with another man, and the coppers got quite a few numbers slips.

Mr. HALLEY. Is he a large operator?

Mr. RICHARDSON. To my knowledge, he is.

Mr. HALLEY. Does he have any gang connections, or is he all by himself?

Mr. RICHARDSON. I don't think he has any gang connections.

Mr. HALLEY. Is territory allocated among the policy books in Philadelphia?

Mr. RICHARDSON. Not to my knowledge.

Mr. HALLEY. How do they avoid gang wars?

Mr. RICHARDSON. I don't know of any gang wars.

Mr. HALLEY. If they don't allocate territory, you would think there would be disputes.

Mr. RICHARDSON. I don't know of any gang wars. I don't know of any organized gang here in Philadelphia. They never had a chance to settle here.

Mr. HALLEY. Don't these people ever argue among themselves about territory?

Mr. RICHARDSON. They may get into personal arguments, but so far as gangs taking over here and taking over there, I don't have any knowledge of it. If I did, I would be right into it.

Mr. HALLEY. You don't think there is any allocation of territory among the various gangs?

Mr. RICHARDSON. I do not.

Mr. HALLEY. You don't think Singleton gets a certain area in which he operates?

Mr. RICHARDSON. No.

Mr. HALLEY. And another fellow gets another area, and they keep out of each other's way?

Mr. RICHARDSON. I never heard of anything like that, never. Nobody ever had it here in Philadelphia, certain territories or certain privileges.

Mr. HALLEY. You would be sure that did not exist?

Mr. RICHARDSON. Especially this mob you are speaking about. They never anchored around here.

Mr. HALLEY. Which mob are you speaking of?

Mr. RICHARDSON. Rosen, Weisberg, Cappy Hoffman.

Mr. HALLEY. Didn't you say in your letter, both to the committee and to Mr. Sullivan, that Rosen was still operating, and that he is the undisputed leader of the mob?

Mr. RICHARDSON. If there is anything around, he will be into it, but I don't know of him being actively in any certain bank.

Mr. HALLEY. You weren't just writing fiction in this letter. You say, "if there is anything around." There must be something around when you say, "He is the undisputed leader of the local mob."

Mr. RICHARDSON. He is.

Mr. HALLEY. You write, "Among his followers his word is law, and an unfortunate accident is likely to befall any member who flouts his authority."

Mr. RICHARDSON. That is right.

Mr. HALLEY. Over what does he exercise authority; the distribution of territory in the numbers racket, for instance?

Mr. RICHARDSON. No; I don't think so; "muscling in."

Mr. HALLEY. "Muscling in" on what?

Mr. RICHARDSON. A piece of anybody's business.

Mr. HALLEY. What kind of business are you talking about?

Mr. RICHARDSON. The numbers business, horse-racing business, wherever they can get their nose in.

Mr. HALLEY. Let's take the numbers business, for instance, here in Philadelphia. Did you think, at the time you wrote this letter, when you said that among his followers his word is law, he settles disputes in the numbers rackets?

Mr. RICHARDSON. That is right.

Mr. HALLEY. So, if Jimmie Singleton wanted to book policy outside of a certain area, a dispute would arise; is that right?

Mr. RICHARDSON. I don't think it would arise with him.

Mr. HALLEY. Suppose I was in the next block and I didn't want Singleton in there. Would "Nig" Rosen settle that dispute?

Mr. RICHARDSON. No; I don't think so.

Mr. HALLEY. Then let's get back to what you mean when you say that this fellow Rosen is the undisputed leader and settles disputes. What kind of disputes does he settle, in what business?

Mr. RICHARDSON. In the mob there.

Mr. HALLEY. You are not talking about their fighting over who gets the next drink. What are they fighting about? What are these disputes about?

Mr. RICHARDSON. I didn't know of them having any disputes. He is just the recognized leader of the outfit.

Mr. HALLEY. What is there to lead? You say he is the recognized leader, but you say there is no crime, no mob activity, and nothing to lead. It doesn't make sense, Inspector.

Mr. RICHARDSON. He was the leader of the mob in the numbers racket here prior to 1934. Whichever one he has a piece of now, I don't have any knowledge of.

Mr. HALLEY. I can understand how a man in your position might not have the detail, but you certainly seem to be well informed as a good law-enforcement officer should be, and you wrote this letter 8 months ago, and you wrote it in the present tense. You weren't writing about 1934. You said Rosen had been the complete boss here, and then he went to New York.

Mr. RICHARDSON. That is right.

Mr. HALLEY. Then you said he keeps his connections here and operates through lieutenants here.

Mr. RICHARDSON. That is right.

Mr. HALLEY. And that he is the undisputed boss, and his word is law, and an unfortunate accident is likely to befall anyone who flouts his authority.

Mr. RICHARDSON. Information came to us, nothing I had direct knowledge of, that the numbers men, the numbers business, were supposed to go to New York to see Rosen. For what? I imagine it is to kick in, to take a piece of their business. That, I can't prove, but it is my opinion that they went to New York.

Mr. HALLEY. You mean they paid Rosen off in New York?

Mr. RICHARDSON. That is right.

The CHAIRMAN. Who went to New York, and when?

Mr. RICHARDSON. I don't know that. I just heard rumors that the different guys around Philadelphia got word to go to New York.

The CHAIRMAN. Who was it, and where did you hear it?

Mr. RICHARDSON. I don't know that. I never got no exact names or anything else.

Mr. HALLEY. Would they get this word from Cappy Hoffman?

Mr. RICHARDSON. That is who I assume it is from, him and Billy Devine.

Senator O'CONNOR. One additional thing, in line with that question.

In one portion of the letter, Mr. Richardson, to which your attention has been directed, you do make this statement: "Rosen controls," present tense, "a large part of the gambling, numbers lotteries, and horse and sports betting in the Philadelphia area." Of course, you have told us about your knowledge of conditions elsewhere, of his

muscling in on Jimmie LaFontaine and the rest of them, but here is something about Philadelphia, which has been under your direct attention for all this long period of time. Can you not tell Senator Kefauver and the rest of us——

Mr. RICHARDSON. Yes; around Chester. They were supposed to be hanging out in Chester, outside of Philadelphia there.

Senator O'CONOR. What would you say was the extent of the operations of the numbers racket in Philadelphia, in money, in volume?

Mr. RICHARDSON. I wouldn't have any idea.

Senator O'CONOR. Could you not give us an estimate of it?

Mr. RICHARDSON. I couldn't give you an estimate of it, because I have no idea of it. If I was working on that particular line, maybe I could give you a good line on it.

Senator O'CONOR. Yes; but in 1947 and 1948 you were especially assigned to——

Mr. RICHARDSON. To raids.

Senator O'CONOR. But you more or less, I suppose, familiarized yourself with what was going on in gambling operations generally?

Mr. RICHARDSON. No; I didn't at that time. If I was given complaints, I went out and investigated and broke it up.

Senator O'CONOR. As assistant superintendent in charge of detectives, those of us who had contact with that work in the past know that a man in that position is well informed as to the operations generally. I do not mean to say you can put your finger on a definite operation, but can you not give any idea of the volume of business?

Mr. RICHARDSON. What I hear, what I have seen, what I have experienced and seen in court, it is a pretty big business, one of the biggest.

Senator O'CONOR. All right. I am sure that you, as a well-informed man, know that, but can you not give us that in dollars? About what would you think the total volume would be?

Mr. RICHARDSON. It would run into millions of dollars.

Senator O'CONOR. How many millions?

Mr. RICHARDSON. I couldn't give you the exact number, but I know it is a big business around here.

Senator O'CONOR. Do you and Mr. Kelly work together and more or less compare notes?

Mr. RICHARDSON. Yes. Mr. Kelly is assigned to me.

Senator O'CONOR. Mr. Kelly, you, I guess, actually wrote the letter?

Mr. KELLY. I did, sir.

Senator O'CONOR. What would be your idea as to the extent of operations? Up in the millions?

Mr. KELLY. I am sorry, Senator, I wouldn't have the slightest conception of the magnitude.

Senator O'CONOR. I am frank to say, I am somewhat surprised.

Mr. RICHARDSON. Mr. Kelly hasn't worked on that. He has worked with me only the past 2 years. I was assigned to it around 1942. I wasn't assigned to it, but I took an active part in trying to break it up.

Senator O'CONOR. Can you not give any idea as to the operations in bookmaking?

Mr. RICHARDSON. No; I never had any dealings with it, only when I went to raid it, Senator.

Mr. HALLEY. With regard to the things you have heard about Rosen being visited by people from Philadelphia in the numbers racket and paid money, wouldn't you also say, from what we all know of the manner in which these gangsters operate, the man to whom they pay money, like Rosen, would also be the man who settles disputes, just as you said in your letter? He is the top pay-off man. He is the man whose word is law. Isn't that so?

Mr. RICHARDSON. That is my opinion, Counselor, but I don't have any direct knowledge. That is the way I figure Rosen, my knowledge of Rosen.

Mr. HALLEY. There is no question we are talking about your opinion, Inspector.

Mr. RICHARDSON. That is right. He is the boss.

Mr. HALLEY. Isn't that particularly true of the territory in the numbers racket? Isn't that the thing the dispute arises about?

Mr. RICHARDSON. I don't know of any territories allotted to anybody. I never heard of it being around here that they were allotted to anybody. Any guy who had any business, he was free to go wherever he wanted, from what I can understand. I never heard of anybody just sitting in a special spot.

Mr. HALLEY. Didn't you understand that in particular areas, particular people worked? We can take a few of them. For instance, in the central city district, who controls that? Have you ever known?

Mr. RICHARDSON. I don't know anybody that controls it.

Mr. HALLEY. Is there a fellow named Upshur? Does he have anything to do with it?

Mr. RICHARDSON. I never heard of him.

Mr. HALLEY. Let's take the west central city district. Do you know anything about that?

Mr. RICHARDSON. No; not as far as the lottery is concerned, because we don't work on it. If I was working on it every day and familiar with it, I would certainly be glad to tell you.

Mr. HALLEY. Do you know anything about the Cavis brothers, Abe and Milt Cavis?

Mr. RICHARDSON. No; I do not.

Mr. HALLEY. Did you ever hear of them?

Mr. RICHARDSON. I did not.

Mr. HALLEY. Those names don't mean anything to you?

Mr. RICHARDSON. I never heard of them.

Mr. HALLEY. Just from the point of view of your general knowledge of the numbers racket—you have some knowledge of it, don't you?

Mr. RICHARDSON. Yes; I have some knowledge of the numbers racket.

Mr. HALLEY. Would you say Rosen allows them to run wild, competing with each other all over the city?

Mr. RICHARDSON. I never knew Rosen to direct anybody here, give anybody any territory here.

Mr. HALLEY. Who does direct them?

Mr. RICHARDSON. I don't think anybody does. I think everybody who is in the numbers racket operates all over the city. They might have a book here in northeast, northwest. I never heard of anybody having a district in the numbers game.

Mr. HALLEY. Have you heard of no dispute arising over the fact that they operate all over the city?

Mr. RICHARDSON. I wouldn't tolerate that a minute, if I heard about it.

Mr. HALLEY. There haven't been any disputes?

Mr. RICHARDSON. There are no organized mobs around here directing things like that. If there is, it is the first time I ever heard of it.

Mr. HALLEY. Could you conceive of each numbers racket operator being free to operate all over the city, and there not being disputes?

Mr. RICHARDSON. I never knew anybody directing him or telling him what he should do or anything.

Mr. HALLEY. How would they avoid conflicts and gang warfares, if there were no disputes?

Mr. RICHARDSON. There isn't any gang warfare around here.

Mr. HALLEY. Then somebody must be acting to settle the arguments without gang warfare. Wouldn't that follow logically?

Mr. RICHARDSON. About that incident in West Philadelphia?

Mr. HALLEY. Let's take that.

Mr. RICHARDSON. What would be wrong with that, only outside of somebody running out on a bet, from what I learned about it. Are there territorial rights or something?

Mr. HALLEY. I don't know. I am trying to find out what you think about it.

Mr. RICHARDSON. I don't know too much about it, Counselor. It is strictly a uniformed job out there, from what I understand.

Mr. HALLEY. You think it would be possible—and there is no point in our arguing about it at length—for these numbers writers to operate, each one all over the city, competing with each other?

Mr. RICHARDSON. I never knew of any special section, unless a guy had a business or a book. I never knew of any guy being nailed down to just a certain territory.

Mr. HALLEY. What does Rosen do, then? About what things is his word the law in the numbers racket, as you said in your letter?

Mr. RICHARDSON. His word is law. I might say that anything he is in on, if he has a piece of anything, he would be the guy that would settle anything. I don't know of anything that he has a piece of. It is just my information that certain people were sent over to New York to see him.

Mr. HALLEY. You are here as an expert—

Mr. RICHARDSON. Now, wait. Let me explain that to you, because from my experience with Rosen, they used to have different guys go around to the numbers writers, and they could take so much of their business in, which they call the edge-off.

The CHAIRMAN. Let us have these gentlemen back after a recess.

Gentlemen, would it be convenient for you to come back at 1:45?

Mr. RICHARDSON. Surely.

The CHAIRMAN. We will carry on after that.

(Thereupon, at 12:40 p. m., a recess was taken until 1:45 p. m. of the same day.)

AFTERNOON SESSION

(The committee reconvened at 2:15 p. m.)

The CHAIRMAN. Let's get on, gentlemen.

FURTHER TESTIMONY OF GEORGE F. RICHARDSON, ASSISTANT SUPERINTENDENT OF POLICE IN CHARGE OF DETECTIVES, AND JOHN J. KELLY, PATROLMAN, ACTING DETECTIVE, PHILADELPHIA, PA.

Mr. KLEIN. Superintendent, some 5 years ago there was a murder in upper Darby across the county line of one Joseph Saia, alias Joe Sharkey. You investigated that case?

Mr. RICHARDSON. No, I didn't investigate it.

The CHAIRMAN. Speak up.

Mr. RICHARDSON. No, I did not investigate it. It is out of our jurisdiction.

Mr. KLEIN. You testified in connection with the arrest of James Singleton before Magistrate Roberts.

Mr. RICHARDSON. I testified I made the investigation?

Mr. KLEIN. No, sir. You testified. You testified before Magistrate Roberts in the case of James Singleton.

Mr. RICHARDSON. Yes.

Mr. KLEIN. And you said, I am quoting from an article in the Evening Bulletin of February 5, 1948—

Mr. RICHARDSON. Saia used to be a partner, I believe, to Singleton.

Mr. KLEIN. Yes.

Mr. RICHARDSON. It is knowledge that we hear around that he was a partner to Singleton.

Mr. KLEIN. Did you ever testify that Singleton had been with Saia in his car 10 minutes before Saia was killed?

Mr. RICHARDSON. No, sir; I never did and I never had that knowledge.

Mr. KLEIN. You did not?

Mr. RICHARDSON. No, I didn't testify to that.

Mr. KLEIN. Did you testify with respect to James Singleton on the 5th of February 1948, I quote:

This bank is policed by gangsters and as a result of their operations one murder has occurred. This was the killing of one of the former partners of this crowd in the Sixty-ninth Street section.

Mr. RICHARDSON. Yes, I testified to that.

Mr. KLEIN. Were you referring to the Singleton numbers bank?

Mr. RICHARDSON. No, I was referring to the other outfit.

Mr. KLEIN. Which other outfit?

Mr. RICHARDSON. It was rumored around that they were trying to move in. Saia was one of their henchmen.

Mr. KLEIN. Was one of whose henchmen?

Mr. RICHARDSON. The Rosen mob.

Mr. KLEIN. He was a Rosen mobster?

Mr. RICHARDSON. Yes, sir.

Mr. KLEIN. Don't you believe that he was a partner of Singleton's?

Mr. RICHARDSON. Yes, I believe it, yes; but I have no way of proving it, you understand. It is just common knowledge around that we learn these things, who is different partners and so forth. I never pitched him with Singleton.

Mr. KLEIN. Did you ever hear, Superintendent, a few days after Saia was killed, Frank Palermo became Singleton's partner in the numbers bank?

Mr. RICHARDSON. Yes, I heard that.

Mr. KLEIN. Is that correct?

Mr. RICHARDSON. Yes.

Mr. KLEIN. Is that your knowledge?

Mr. RICHARDSON. That is my knowledge, yes.

The CHAIRMAN. How do you know that, Superintendent?

Mr. RICHARDSON. I hear different rumors around—

The CHAIRMAN. I know, but besides rumors how do you know that to be true? How would you prove it?

Mr. RICHARDSON. There is no specific reason why I should say it, other than that I hear these things that are supposed to be partners with Singleton. I never pitched him with Singleton and when I was sent after Singleton I thought I would get him with him too. But I never seen him in action.

Mr. KLEIN. Is he still Singleton's partner?

Mr. RICHARDSON. To my knowledge I believe it, yes.

Mr. KLEIN. Have you any information with respect to the shooting on August 12, 1950, in which Singleton and Palermo are supposed to have participated?

Mr. RICHARDSON. No, I have not.

Mr. KLEIN. That is all.

The CHAIRMAN. Mr. Halley?

Mr. HALLEY. Nothing else at this time.

The CHAIRMAN. You testified that Rosen had an operation up near Chester, Pa. Does he still have it?

Mr. RICHARDSON. I believe that is where they are at, in the Sun Hotel in Chester.

The CHAIRMAN. What kind of operation is it?

Mr. RICHARDSON. I never saw it, but they used to have a crap game, numbers, or whatever goes on out there. I was never in the place to get that knowledge of it.

The CHAIRMAN. Is it operating now?

Mr. RICHARDSON. I don't know that. That was before I was taken sick. They had been out there for years to my knowledge, out in Chester.

The CHAIRMAN. I believe you said that Lansky and Rosen were brothers-in-law.

Mr. RICHARDSON. Yes.

The CHAIRMAN. Do you know that?

Mr. RICHARDSON. Only from knowledge I gained around town. Not from any direct connection with either one of them. I haven't seen Rosen for probably 8 or 10 years.

The CHAIRMAN. Your record of telephone calls shows that Rosen keeps on calling people down here—in the last 2 or 3 years?

Mr. RICHARDSON. That is right.

The CHAIRMAN. Who does he call?

Mr. RICHARDSON. You have the knowledge there. You have it all there. I didn't even look at it. I turned them over to you people.

The CHAIRMAN. What does it show, gentlemen? Let's see who it is who is being called.

Mr. RICE. We will bring it out in Rosen's testimony.

The CHAIRMAN. Off the record.

(Off the record.)

Mr. RICHARDSON. I will turn over anything I have got. I would chase them. I wouldn't let them around here 5 minutes if I am around. The same thing with Mr. Kelly here.

The CHAIRMAN. Chief, how old are you at the present time?

Mr. KELLY. I am 58 years old. I will be 59 in February.

The CHAIRMAN. How long have you been with the department, Mr. Kelly?

Mr. KELLY. Ten years, sir.

The CHAIRMAN. How old are you?

Mr. RICHARDSON. Forty-one.

The CHAIRMAN. Do either of you have any other information that would be of help to us?

Mr. RICHARDSON. We are not in the numbers crusade. We are just after these gangsters, criminals, who prey on other people. We don't let them around here. We don't want them to stay here. That is the treatment they get here.

The CHAIRMAN. How about the slot machines?

Mr. RICHARDSON. I know nothing about slot machines. I never saw any in operation around here.

The CHAIRMAN. That is not in your department.

Mr. RICHARDSON. No; nothing like that comes under me. The only time I go out on that is on direct orders from my superiors, Director Rosenberg or Superintendent Sutton, my immediate superiors. Any time I go out I bring them in and they are convicted; that is the end of it.

The CHAIRMAN. Thank you, Superintendent, and Mr. Kelly. You go on, and if we need you again we will call you.

Mr. RICHARDSON. We will be here in 5 minutes for you.

The CHAIRMAN. Thank you.

Mr. RICHARDSON. Thank you, sir.

The CHAIRMAN. Hold up your hand. Do you solemnly swear the testimony you will give this committee will be the whole truth and nothing but the truth, so help you God?

Mr. McDONALD. I do.

TESTIMONY OF MICHAEL McDONALD, PHILADELPHIA, PA., FORMER MEMBER OF PHILADELPHIA POLICE DEPARTMENT

Mr. KLEIN. What is your name?

Mr. McDONALD. Thomas Michael McDonald.

Mr. KLEIN. And your address?

Mr. McDONALD. 7538 Brockton Road, Philadelphia.

Mr. KLEIN. Are you married?

Mr. McDONALD. Yes.

Mr. KLEIN. You are a suspended member of the Philadelphia Police Department?

Mr. McDONALD. That is correct.

Mr. KLEIN. How old were you on the police force?

Mr. McDONALD. I was appointed August 14, 1944.

Mr. KLEIN. When were you suspended?

Mr. McDONALD. I was suspended on the evening of May 3, after an arrest, and I remained suspended until the 19th of May, and I was put back to work by order of the director. I remained on duty I think until I went before the civil-service commission on the 17th of

July. On the 19th of July the civil-service commission handed down its decision to dismiss me.

Mr. KLEIN. What did you do before you went on the police force?

Mr. McDONALD. I was in the Army.

Mr. KLEIN. How long were you in the Army?

Mr. McDONALD. I was in there for 16 years.

Mr. KLEIN. What rank did you have at the time of your separation?

Mr. McDONALD. I was master sergeant.

Mr. KLEIN. What was your rank with the Philadelphia police force?

Mr. McDONALD. Patrolman.

Mr. KLEIN. Will you tell the committee briefly the circumstances that led to your suspension? I will ask you to be brief because we are running away behind time.

Mr. McDONALD. All right. I have my 590's that I made out to my superior officer, who is the inspector over the captain.

Mr. HALLEY. Let's put them in evidence.

Mr. McDONALD. He wanted a report of the arrest and everything that took place up to the time of my suspension. This is a copy of my report given to the inspector.

Mr. KLEIN. May I see it?

The CHAIRMAN. Do you have another copy?

Mr. McDONALD. Yes. My lawyer has one.

The CHAIRMAN. May we have this one?

Mr. McDONALD. Yes; you can have that.

The CHAIRMAN. Let it be made as exhibit No. 2.

(The document referred to is on file with the committee.)

Mr. KLEIN. You say in here that you were offered a bribe by a numbers writer to let him go when you attempted to arrest him on the 3d of May 1950?

Mr. McDONALD. That is correct.

Mr. KLEIN. Who was he?

Mr. McDONALD. Jack Rogers.

Mr. KLEIN. Do you know him to have been a numbers writer?

Mr. McDONALD. I didn't know up until Monday. He was pointed out to me on Monday, May 1. On Wednesday, May 3, I noticed him taking a bet and that is when I arrested him.

Mr. KLEIN. After you arrested him, one Mike Caserta, you say, came into the police station?

Mr. McDONALD. Yes. During the course of the slating Mike Caserta, whom Rogers said was his backer, entered the police station and demanded to know why he was being arrested.

Mr. KLEIN. Did Capt. Vincent Elwell, your commanding officer, participate in the conversation?

Mr. McDONALD. He entered the room after I placed him under arrest.

Mr. KLEIN. Why did you arrest Caserta?

Mr. McDONALD. He wanted me to change the charge on Rogers to disorderly conduct. He said, "Change them charges to disorderly conduct and I will give you a couple of hundred dollars." He has a bad record.

Mr. KLEIN. Did he hold out any money to you?

Mr. McDONALD. No; he didn't.

Mr. KLEIN. He merely said "I will give you a couple of hundred dollars"?

Mr. McDONALD. That is correct.

The CHAIRMAN. Who is Mike Caserta?

Mr. McDONALD. He is the banker of the horse and numbers in the northwest Philadelphia section of the city, the fortieth ward in the fifty-second district.

The CHAIRMAN. I thought Jack Rogers offered you a bribe.

Mr. McDONALD. He did. He is the writer for Caserta. Caserta is the banker.

Mr. KLEIN. What did Captain Elwell do?

The CHAIRMAN. Let's stay on this bribe that Jack Rogers offered you. How much was his offer?

Mr. McDONALD. A hundred dollars.

The CHAIRMAN. What were the circumstances of that?

Mr. McDONALD. When I first picked him up he wanted to give me \$100 to let him go. I told him "No," he was under arrest, and I proceeded on to the station house with him. When I got him in front of the house sergeant he asked to be slated for disorderly conduct instead of on a horse-and-numbers charge, which wasn't an indictable charge. I refused him. Caserta entered the station house then and he wanted the charge placed as disorderly conduct, and his excuse was that Rogers had a bad record, which I didn't know up until that time what his record was. I refused the offer of Caserta. As he turned away he said, "I will frame you good, you son-of-a-bitch." When he said that I grabbed hold of him and placed him under arrest.

I slated him on disorderly conduct. Captain Elwell appeared in the roll room and there were about 37 police officers ready to stand roll call, with three sergeants in there. I had a scuffle with Caserta. Nobody offered a hand in the arrest. They just all stood there, froze. Captain Elwell appeared and wanted to know who locked up Mike. He addressed him as Mike. One of the patrolmen said McDonald did. I turned around and he was facing me then. He said, "Huh!" He turned around and walked back out.

About 8 o'clock the sergeant visited me on the street, the street sergeant, Leo Brodwick, and said that the captain wanted to see me in the station house. My beat was at Thirty-sixth and Elmwood Avenue, which is roughly nine blocks from the district station house at Sixty-fifth and Woodland. I went into the station house and Captain Elwell was in the room and when I went in I went up to the house sergeant, and he came across the room and said, "Who do you think you are around here?"

I said, "What do you mean?"

He said, "Who do you think you are locking up a horse-and-numbers man? You are not on the vice squad."

He said, "You are out here to write summonses."

I said, "Well, that is part of police work, locking up horse-and-numbers men."

He said, "You think it is?"

I said, "Yes."

He said, "Well, I want you to make this report out over again."

I said, "O. K."

I asked the sergeant for a 590. He said, "No; you will make it out in my office."

So he took me into his office and I proceeded to make the same report over again that I had made out.

So he said, "I have known Mike since he was a little boy."

I said, "I wouldn't brag about knowing that thug." I said, "With the record he has, as police captain you ought to be ashamed to admit knowing a man like that."

He said, "Did you ever see me with Mike Caserta?"

I said, "In the station house here."

He smiled and said, "Sure. That is my business to talk to people in the station house."

I said, "Yes, and I saw you other places."

He said, "Where at?"

I said "That is my business, Captain." I said, "If you are done with me, I will leave."

He said, "Stick around. I want to talk to you a little while."

So he waited there about 10 minutes, and about 10 minutes later he was looking out the window on Sixty-fifth Street, and about 10 minutes later there was supposed to be a complaint in the roll room that I was in the same room with the captain. I didn't hear it. Of course it could have been. But Captain Elwell walked to the door and said, "Who is hollering out there?"

The sergeant stepped from behind the door, which he had been standing there all the time. I could see his reflection on the wall across, the door was open.

He said, "A man is complaining about being short some money out here."

He said, "Bring him in here." He brought him in and it was Rogers. He said to Rogers, "Are you short some money?"

Rogers said he was short \$123—\$130. He said, "I have only \$127 on this sheet." The captain said, "Who told you you were short this money?"

He said "The house sergeant."

The house sergeant spoke up and said, "No, I wasn't here when your money was taken off of you."

He said, "No, I found out off the guy outside." The captain said "You mean you found out off the police boy down at city hall where they fingerprint them. You saw the sheet lying on the fingerprint table."

He said, "Yes, that is right."

So I spoke up and I said, "Why don't you let him tell his story, Captain?"

The captain said, "You keep quiet. I am doing the investigating here."

So he said, "How much money did you have exactly when you were locked up, Rogers?"

He said "Exactly \$250."

The captain said, "Any more?"

He said "No more, no less."

He then pulled \$40 out of his pocket and said, "But I still have \$40." So I spoke up. I said "If you have \$40, and I took \$127 off you, that makes \$167. How can you be short \$130 when you had only \$250? That makes a total of \$297 you would have had in your possession."

So the captain said nobody is asking you for your opinion of what went on. So he took a statement off of Rogers and he asked Rogers

what he did. He said, "I write numbers and horses." The captain said "You don't want to say that in the statement. You are locked up for horses and numbers."

He said, "You mean you play the horses and numbers, and that is where you got that money?"

He said, "Yes, that is right."

So he finished the statement and he said to Rogers, "All right, now, you sign this."

Rogers said, "No, I won't sign it."

He said "Oh yes, you will. You sign it and I will see that nothing happens to you. I will see that you get your money back."

So Rogers signed the statement. As soon as he signed the statement the captain said "You are suspended."

I said to him, "Do you mean to tell me you are going to suspend me on the accusation of this ex-convict here who has 18 felony arrests, plus aggravated assault and battery on a police officer?"

He said, "What are you doing checking up on that man's record?"

I said, "That is my business to check up on anybody's record that I place under arrest."

He said, "Well, I will make it my business how you found out his record."

So I said "If you are done with me, Captain, I will leave."

He said "All right."

That was pertaining to the arrest, and the suspension.

MR. KLEIN. Is Caserta tied up with any particular numbers bank in West Philadelphia?

MR. McDONALD. He is assumed to be tied up with Blinky Palermo's gang.

MR. KLEIN. Is he tied up with the Jimmie Singleton group?

MR. McDONALD. That is supposed to be one consolidated bank, I believe.

MR. KLEIN. By the way, how long have you been out in West Philadelphia as an officer?

MR. McDONALD. I have been out there, I would say, on and off 4 years. The station at that precinct in the Thirty-second, in the district, I have been stationed there since November 11, 1949. I was in motor bandit prior to that, from time of my appointment up to November 11, 1949.

MR. KLEIN. Do you know Joseph Burns?

MR. McDONALD. Joe Burns. He is the ward leader of the fortieth ward.

MR. KLEIN. Has he any connection, to your knowledge, with Palermo, Singleton, and Conserta?

MR. McDONALD. To hearsay, he is referred to as the boss.

THE CHAIRMAN. Who is that now?

MR. KLEIN. Joseph Burns.

MR. McDONALD. I have seen him in the station house quite a number of times, coming from the captain's room and in company with the captain.

MR. KLEIN. Are there any policemen out there, to your knowledge, who are paid by numbers operators?

MR. McDONALD. You see, I work singly, by myself, which a district cop does. There are some in cars who are paired. Since I have been

in the thirty-second district as a precinct cop, I haven't had an opportunity to be with any of them who were being paid. The only one as far as my investigation was that there was one man who did the collecting, and that was Bitting, Earl Bitting.

Mr. KLEIN. Who is Earl Bitting?

Mr. McDONALD. He was listed on a personnel sheet as in charge of the boys' club. That was supposed to be his specific duty.

Mr. KLEIN. In the thirty-second district?

Mr. McDONALD. In the thirty-second district. He is now retired.

Mr. KLEIN. He is a police officer, was a police officer?

Mr. McDONALD. Yes.

Mr. KLEIN. You say he was a collector. For whom was he a collector?

Mr. McDONALD. He was assumed to be the collector for Captain Elwell.

The CHAIRMAN. Wait a minute. Assumed to be collector for whom?

Mr. McDONALD. Captain Elwell.

The CHAIRMAN. How do you know that?

Mr. McDONALD. From interrogating different racket men. Asking them what the captain was riding around the district for. He never was in a police uniform.

Mr. KLEIN. He was a plain-clothes man?

Mr. McDONALD. Yes. He wasn't a plain-clothes man. He never wore a uniform, though.

Mr. HALLEY. What racket man could give us that information?

Mr. McDONALD. Bradshaw was one. The corner he was on was Fifty-second and Woodland Avenue.

Mr. HALLEY. Who did you interrogate? Who told you?

Mr. McDONALD. He was one.

Mr. HALLEY. Bradshaw?

Mr. McDONALD. Bradshaw. I stopped him one day and looked him over.

Mr. HALLEY. Did he tell you that?

Mr. McDONALD. Yes; he said that is the captain's collector.

Mr. HALLEY. Who else told you that?

Mr. McDONALD. I asked—I don't know his name, but he is referred to as Little—I don't know if that is his right name or not. He is referred to as Little Pollack. I had spoken to him on February 8 when I had investigated him on a highway at Sixty-second with reference to picking up horses and numbers. At that time he was carrying quite a large amount. My investigation at that time was in reference to him and with reference to who he thought he was, and his remarks with the captain, wanting me to take him in to the captain before I would search him or anything.

Mr. KLEIN. How much money did he have on him?

Mr. McDONALD. He had quite a few thousand dollars on him that morning. He had them in \$100 and \$50 bills, brand new in wrappers just as they come out of the bank.

Mr. KLEIN. Did he offer you any to let him go?

Mr. McDONALD. Yes; he offered to give me a bill at that time.

Mr. KLEIN. What do you mean by a bill?

Mr. McDONALD. I think it was a 50. It wasn't definitely pointed out. He had the money in his hand and he made a—he said "Here you are, let me get these horses and numbers."

Mr. KLEIN. Have you ever seen Bitting in the police station with Captain Elwell with any money between them?

Mr. McDONALD. No.

Mr. KLEIN. You indicated in conversation we had with you a few days ago that you had seen Bitting come into the police station with his pockets full of money.

Mr. McDONALD. I believe I said that Bitting was very conspicuous for anybody who knew what was going on. In the summertime his pockets would be bulging.

Mr. KLEIN. How would you tell that?

Mr. McDONALD. You see, when he doesn't have a coat or anything on, the police pants in front, if you put anything in them, stuff them very much, they bulge out. It is not very obvious that a person would walk around, knowing the capacity he works in in the district. Monday was his day to come into the district. You wouldn't see him there all week, but on a Monday he would be around there on the hour at 3 o'clock. He would come in and go to the captain's room.

Mr. KLEIN. You are telling us that the only time you saw Bitting, who was a patrolman, was on Mondays?

Mr. McDONALD. On a Monday. That wasn't the only time I ever saw him. What I mean is, he wasn't a steady figure in the station house during the week. He was likely to come in on a Thursday or something. I have seen him there at other times. We would definitely always see him there on Monday.

Mr. KLEIN. You have been around the town for 6 years as an officer. What is the schedule of payments that are made by numbers people to police officers?

Mr. McDONALD. The amount is supposed to be, from my recollection—I have never seen the transaction take place, but it is assumed to be \$5 per car.

Mr. KLEIN. Five dollars per red car.

The CHAIRMAN. Per day?

Mr. McDONALD. No; that is every third week when your shift is working day work. That is the only time they are supposed to pay is on the day-work shift, during the operation of these numbers and horses, which they don't operate on the other two tricks. Of course, from 4 to 12 they do part time because horses generally run from 6:30 to 7 o'clock.

Senator O'CONOR. Would there be made additional payment than the particular officers in the red car?

Mr. McDONALD. I assume from my knowledge and what I have heard that there are certain men in the squad who are designated as pick-up men.

Senator O'CONOR. What was your understanding of the total amount that was paid either weekly or every 3 weeks?

Mr. McDONALD. To one car?

Senator O'CONOR. No; for all.

Mr. McDONALD. For the over-all squad?

Senator O'CONOR. That is right.

Mr. McDONALD. It depends on the district, you see. In the city you run into districts like the thirty-fifth district, which is uptown, and used to be a residential district, which naturally limits rackets. When you come downtown into the colored section of the city, like south Philadelphia, the southwest, and in the middle of the town, and all

the way up Columbia Avenue, Susquehanna Avenue, they are known as red-hot districts where vice is very heavy. In those districts the average talk is that it is \$100 a man on the day work. That is his take.

Senator O'CONOR. What would be the total number of men?

Mr. McDONALD. To figure roughly there is about 12 good districts like that in the city, and the same men work those districts all the time.

In some of the cars they have two of that kind of district.

Senator O'CONOR. You must have made some kind of calculation generally. Can't you tell Senator Kefauver and the rest of us what, in the aggregate, was the total you think of the regular payments?

Mr. McDONALD. The over-all payment? You mean counting like we will take motor bandit.

Senator O'CONOR. Everybody.

Mr. McDONALD. In motor bandit it is supposed to be \$5 per car. They have 21 cars in there. To break down that figure, you would have to go into how many writers and bankers are in that territory, you see. They wouldn't pay off just one man. They are supposed to be paid by each horse man. Some districts might have maybe 12 or 15 horse men in it, maybe 40 or 50 writers.

Senator O'CONOR. Would each of them pay \$5?

Mr. McDONALD. No. Some of the writers sometimes do. Some of them work under one bank. Maybe one bank will have 12 or 13 writers.

The CHAIRMAN. Listen, Mr. McDonald, what would you figure would be the average amount that is paid to the police for protection per month by the numbers and horse writers, banks and bookies and what not in the city of Philadelphia?

Mr. McDONALD. My estimate of the figure?

The CHAIRMAN. Yes.

Mr. McDONALD. It would run very high.

The CHAIRMAN. I know it would be guesswork, but give us your estimate.

Mr. McDONALD. Within the city I would say in a month the take—that is not counting anywhere where it is big—what I mean by saying that is just what the higher-ups get I don't know. What their figure is I don't know. I have heard different calculations on what their figure was, but I would say to the actual cops up to a captain I would say there are 38 districts in this city. I would say into those districts at least three or four thousand dollars is paid.

The CHAIRMAN. You mean three or four thousand dollars per month in each district?

Mr. McDONALD. Easy. Absolutely. That is a small figure at that.

Mr. KLEIN. That is \$152,000 a month.

The CHAIRMAN. Do you think that is a small figure? It doesn't count payment to the higher-ups?

Mr. McDONALD. That is right.

The CHAIRMAN. All right, let's get on.

Mr. KLEIN. What did you figure was the take of Captain Elwell, your captain, from gambling and other operations?

Mr. McDONALD. From what I have heard and my information out there compiled, he was good for roughly a thousand a week.

The CHAIRMAN. That he got that much?

Mr. McDONALD. That was supposed to be roughly what that district was worth to a captain.

Mr. KLEIN. Did he get that from other police officers?

Mr. McDONALD. That is the talk, you know.

Mr. KLEIN. Among other officers?

Mr. McDONALD. Yes.

Mr. KLEIN. And among racketeers?

Mr. McDONALD. Different racketeers talking about how well the captain does.

Senator O'CONOR. How about inspectors?

Mr. McDONALD. In that division where I worked, Inspector John Murphy is the inspector.

Mr. KLEIN. I didn't mean any particular inspector. I meant had you any word as to what the price on any inspector was, as to what their take was, if any.

Mr. McDONALD. It is supposed to run roughly about \$25 per man. Of course you hear different stories. Some inspectors are tougher than others.

The CHAIRMAN. What do you mean, \$25—

Mr. McDONALD. Like if you were a number writer, the inspector has four men. There was supposed to be \$25 from you.

The CHAIRMAN. You mean \$25 from each man in the numbers?

Mr. McDONALD. That is right.

Senator O'CONOR. What would an estimate of the total be to the inspector?

Mr. McDONALD. I have heard his figure ran as high as 60 or 70 thousand dollars, a good inspector. That depends on where the inspector is located.

The CHAIRMAN. Per year?

Mr. McDONALD. Yes.

The CHAIRMAN. This \$1,000—you said \$1,000 a week for a captain like Elwell. That would be \$50,000 a year. Do you mean it is that much?

Mr. McDONALD. That district is supposed to be one of the best districts in the city.

The CHAIRMAN. How about Captain Murphy?

Mr. McDONALD. Inspector Murphy?

The CHAIRMAN. Inspector Murphy.

Mr. McDONALD. As long as I have been in the police department I have never heard one word said against Inspector Murphy. As far as I know, Inspector Murphy is supposed to be one of the only police officials who is not on the take.

The CHAIRMAN. How about Sgt. Charles Saline?

Mr. McDONALD. He is in motor bandit.

The CHAIRMAN. What do you mean, "motor bandit"?

Mr. KLEIN. He is in the motor-bandit squad.

Mr. McDONALD. He is not in the district. He is a sergeant in motor bandit. A sergeant in the motor bandit and sergeant in district—you take a district sergeant, he has one district, but a motor-bandit sergeant—there is one motor-bandit sergeant takes all of West Philadelphia. That includes the forty-second district, the twenty-ninth district, the thirty-eighth district, the thirty-second district, the twenty-first and the sixteenth.

The CHAIRMAN. Did you see some money paid to Captain Strange?

Mr. McDONALD. No; I never saw any money paid to Captain Strange.

The CHAIRMAN. Didn't you know something about it?

Mr. McDONALD. I know something is going on out there from the different way things were going on, and from hearing.

The CHAIRMAN. What was going on?

Mr. McDONALD. The way the work sheets work for one reason, the way the assignments go, who they go to, and different men who can get different stuff, time off and stuff like that, the different huddles that takes place between them, which naturally starts men to talking in the squad.

The CHAIRMAN. All right.

Mr. KLEIN. In your district there were also a number of one-man clubs?

Mr. McDONALD. That is correct. I think that is the largest district in the city with one-man clubs.

Mr. KLEIN. How many would you say there are?

Mr. McDONALD. I would say there must be over 50 of them in there.

Mr. KLEIN. Is it your impression there is a payment to the captain from these one-man clubs?

Mr. McDONALD. That is correct. I was told that it is \$10 a week from the clubs. It runs roughly around \$50 a month.

Mr. KLEIN. \$10 a week?

Mr. McDONALD. Yes.

Mr. KLEIN. There are over 50 of them?

Mr. McDONALD. Yes.

Mr. KLEIN. That would be a minimum of \$500 a week.

Mr. McDONALD. Yes; that would be right.

Mr. KLEIN. What is a one-man club?

Mr. McDONALD. That is a club like a small room, that gets a liquor charter or something, and he puts a sign up, or something, American Veterans or Disabled Veterans or the Irish Veterans or something like that. It is known as a one-man club.

Mr. KLEIN. That is all I have.

The CHAIRMAN. How about Nig Rosen; have you seen him around here recently?

Mr. McDONALD. I don't know anything about Nig Rosen. I am never much in the center of the city.

The CHAIRMAN. How about these fellows who are supposed to be his lieutenants? What are their names?

Mr. McDONALD. Weisberg?

The CHAIRMAN. Weisberg.

Mr. KLEIN. Hoffman?

The CHAIRMAN. Are they in the numbers game?

Mr. McDONALD. I don't know. I have never had any deals with them. I have never stopped them.

The CHAIRMAN. So it is your feeling that the big majority of the police officers all up and down the line are getting paid well?

Mr. McDONALD. I would say from the way I see things function, somebody is not acting in good faith.

The CHAIRMAN. The way you see things function. Why?

Mr. McDONALD. If you do happen to bother these numbers men, you are put on a beat where there ain't none. You are growled at

right and left about it. They don't like it. It seems if they are in good faith and want this stuff—neither have I stood roll call since I have been in the bureau of police and heard a police captain announce over the roll-call desk that he wanted such and such stuff broken up. You can ride anywhere up and down Woodland Avenue and play a horse. I have never heard any instructions given to so and so, you are on such a beat at Fifty-eighth and Woodland, I don't want no horses played there, I don't want no numbers.

But I have heard it to write summons or something like that. It was only the last 3 months that I have heard an order out of the superintendent of police where he told the captains and inspectors he wanted these numbers rackets broken up.

Senator O'CONOR. What information have you as to whether the gamblers have influence with the courts or with any other officials outside the police department, the city hall or elsewhere, if you have any such information?

Mr. McDONALD. No definite information on that.

Mr. KLEIN. What about Joe the Barber?

Mr. McDONALD. Joe the Barber is Magistrate Donnell's clerk. I believe you asked me to get his correct name. It is Madia Mattea, of 2106 South Sixty-first Street. He has a few aliases that he goes by. He is Magistrate Donnell's clerk. He is clerk to the lieutenant of the fortieth ward. He seems to have the say out there where cops will work.

Mr. KLEIN. Is he supposed to tell Captain Elwell where certain men are to be assigned?

Mr. McDONALD. That is the general idea, yes. He is the go-between. He goes between Joe Burns and the police captain and anybody locked up. He is bragging he is over there to get them up. The night I locked up Rogers and Caserta, I was handed a slip of paper with a phone number on it to call. I asked where the phone number was, and the officer who handed it to me said it was Joe the Barber calling and wanted me to call him.

Mr. KLEIN. Did you call him?

Mr. McDONALD. No. I had no reason to call a guy like that.

The CHAIRMAN. Mr. McDonald, are you married?

Mr. McDONALD. Yes, sir.

The CHAIRMAN. How many children do you have?

Mr. McDONALD. I don't have any now, sir.

Mr. KLEIN. You had a boy.

Mr. McDONALD. I had a boy who got drowned.

The CHAIRMAN. You were in the Army how many years?

Mr. McDONALD. Sixteen.

The CHAIRMAN. Have you ever been in any trouble, you say?

Mr. McDONALD. No.

The CHAIRMAN. Have you ever been arrested?

Mr. McDONALD. No; never arrested. I was in the Army from the time I was 17 years old until I came out and went in the police department. I was given a disability discharge in 1944, January 26.

Mr. KLEIN. You served 3 years in the war, did you?

Mr. McDONALD. Yes; 38 months.

The CHAIRMAN. I wanted to ask you something about this central city district. About 50 banks meet weekly at CR Club, Eighth and

Catherine Avenues, and the proprietor is Frank Palumbo. Is that right?

Mr. McDONALD. Yes; he is the proprietor of that club. That is the Palumbo Club.

The CHAIRMAN. What is the Palumbo Club?

Mr. McDONALD. That is supposed to be a fashionable club, dining place here, a night club.

The CHAIRMAN. Councilman Charles J. Palmer of the first ward—does he meet there?

Mr. McDONALD. I don't know.

The CHAIRMAN. How about Richard Samuel? Have you had any numbers operations with him?

Mr. McDONALD. No; I haven't. He is the ward leader of the Thirty-ninth Ward.

Mr. KLEIN. What is his general reputation?

Mr. McDONALD. His general reputation is not so hot as far as I know.

Mr. KLEIN. Has he a reputation as a numbers writer and banker?

Mr. McDONALD. I supposed he would be tied up with slot machines, something like that. I heard the story where a couple of cops went to take a slot machine out of a diner, and he said you had better not.

The CHAIRMAN. Where was that?

Mr. McDONALD. That was at Forty-ninth and Lancaster, I believe.

The CHAIRMAN. When?

Mr. McDONALD. That happened about 3 years ago, 2 years ago. I will say 3 years to be safe. I heard the conversation about it.

Senator O'CONOR. Have you ever seen him in operation or seen him actively interested in any matter?

Mr. McDONALD. Samuel's son?

Senator O'CONOR. Yes.

Mr. McDONALD. No; I haven't.

The CHAIRMAN. Anything else, gentlemen?

Thank you very much, Mr. McDonald.

Mr. McDONALD. Yes, sir.

Mr. STEIN. I would like to explain to you, Senator, that I am not here to prevent my client from telling you anything; quite the contrary.

The CHAIRMAN. You are perfectly welcome.

Mr. STEIN. I want to say another thing. I want to apologize for the three men who were served with subpoenas. Yesterday was a bank holiday.

I would like to know whether I can have a copy of the transcript.

The CHAIRMAN. On a confidential basis you may have it.

Mr. STEIN. It will be only for my own use.

Mr. HALLEY. We are referring only to Captain Elwell's testimony, not the whole transcript.

The CHAIRMAN. Will you stand up, Captain. Do you solemnly swear the testimony you will give this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ELWELL. I do, sir.

The CHAIRMAN. All right, Mr. Halley.

TESTIMONY OF VINCENT L. ELWELL, CAPTAIN OF POLICE, WEST PHILADELPHIA, PA., ACCOMPANIED BY WALTER STEIN, ATTORNEY AT LAW, PHILADELPHIA, PA.

Mr. HALLEY. What is your full name?

Mr. ELWELL. Vincent L. Elwell, captain of police, twenty-first district now, at 3216 Woodland Avenue.

Mr. HALLEY. Where is your residence?

Mr. ELWELL. My residence is 7058 Grace Avenue in West Philadelphia.

Mr. HALLEY. Counsel, may we have your appearance?

Mr. STEIN. Walter Stein, 2100 Girard Trust Building, Philadelphia 2, Pa.

Mr. HALLEY. Captain, were you served with a subpoena to produce certain records before this committee?

Mr. ELWELL. Yes; I was.

Mr. HALLEY. Have you produced those records?

Mr. ELWELL. I have not been able to gather them together as yet.

Mr. STEIN. May I explain to the committee for the record that I spoke to Mr. Klein yesterday for Inspector Driscoll and all others that we are to get all the records together and will be happy to produce them, but it was a bank holiday yesterday and the time was short, and whatever you will ask, whether in committee or privately or for your investigator, we will be very happy to show you. He has a voluminous bunch of records at home but he just hasn't had time to get them together.

Mr. ELWELL. I would like to get them together.

Mr. HALLEY. Of course the committee is here today, Captain.

Mr. STEIN. I spoke to Mr. Klein.

Mr. KLEIN. Yesterday was a bank holiday and it was impossible to get them.

Mr. HALLEY. I understood some were in his home.

Mr. STEIN. We can have them for you tomorrow morning.

The CHAIRMAN. Let's get them in the morning and let's proceed.

Mr. HALLEY. May we have them here tomorrow morning?

Mr. ELWELL. I feel certain I can.

Mr. HALLEY. What is your income as a police captain?

Mr. ELWELL. \$4,510 per year.

Mr. HALLEY. Do you have any other income?

Mr. ELWELL. I have rental from real-estate property next door to me.

Mr. HALLEY. What do the rentals come to?

Mr. ELWELL. \$52.50 per month.

Mr. HALLEY. Would you say that in 1949 your total income was not in excess of \$5,000? Would that be accurate?

Mr. ELWELL. Including the rent, I think it would be in excess of that; yes.

Mr. HALLEY. You say it would be in excess of that?

Mr. ELWELL. Yes, sir.

Mr. HALLEY. I think the information I had was that your income from the city is \$4,509.54, is that right?

Mr. ELWELL. Something like that.

Mr. HALLEY. And the rest is something like \$630 a year?

Mr. ELWELL. That is right.

Mr. HALLEY. But you have certain expenses on the building, have you not?

Mr. ELWELL. I have a mortgage on the building.

Mr. HALLEY. The net on the building was something like \$244.87? Would that be right?

Mr. ELWELL. That could possibly be.

Mr. HALLEY. Which would bring your net income to \$4,754, approximately.

Mr. ELWELL. I think so.

Mr. HALLEY. Do you have any other income whatsoever?

Mr. ELWELL. No other income.

Mr. HALLEY. You had no other income in the year 1949?

Mr. ELWELL. No, sir.

Mr. HALLEY. What assets do you have, Captain?

Mr. ELWELL. You mean in the line of my house?

Mr. HALLEY. Yes.

Mr. ELWELL. I have my house, and then I have this one next door. I have a \$1,500 mortgage—

Mr. HALLEY. What is your address?

Mr. ELWELL. 7058 Grays Avenue.

Mr. HALLEY. Then you own a building adjacent to that also?

Mr. ELWELL. Yes, sir; right next door to it.

Mr. HALLEY. What is the address of that?

Mr. ELWELL. 7056.

Mr. HALLEY. What type of building are they?

Mr. ELWELL. They are private homes, brick buildings.

Mr. HALLEY. How many rooms in each?

Mr. ELWELL. Six rooms and a bath.

Mr. HALLEY. Both six-room homes?

Mr. ELWELL. Yes, sir.

Mr. HALLEY. When did you build the second one, or did you purchase it?

Mr. ELWELL. I purchased the second house in about 1940 or 1941.

Mr. HALLEY. Could you state the purchase price?

Mr. ELWELL. \$2,500.

Mr. HALLEY. Was that a cash price?

Mr. ELWELL. You mean cash price of it?

Mr. HALLEY. That is right.

Mr. ELWELL. Yes.

Mr. HALLEY. There was a mortgage?

Mr. ELWELL. There was a mortgage, a \$1,500 mortgage.

Mr. HALLEY. So the total price was \$4,000.

Mr. ELWELL. No; the total price was \$2,500.

Mr. HALLEY. \$2,500 total price?

Mr. ELWELL. Yes, sir.

Mr. HALLEY. You had to pay \$1,000 in cash and \$1,500 in mortgage?

Mr. ELWELL. A thousand in equity.

Mr. HALLEY. How long have you owned the house you live in?

Mr. ELWELL. About 1925 I moved in there.

Mr. HALLEY. How long have you been on the police force?

Mr. ELWELL. Almost 28 years, 27 and 7 months.

Mr. HALLEY. In various capacities?

Mr. ELWELL. I have been patrolman and came up from a patrolman to captain.

Mr. HALLEY. Do you own any other real estate?

Mr. ELWELL. Now I have a property in Wildwood, N. J.

Mr. HALLEY. What property do you have there?

Mr. ELWELL. That is a duplex apartment. It was built in September. I took possession in January 1950.

Mr. HALLEY. Is that Wildwood out near Atlantic City?

Mr. ELWELL. No; Wildwood, N. J. It is Pacific Avenue in Wildwood, N. J.

Mr. HALLEY. That is the township next to Atlantic City; is it not?

Mr. ELWELL. No; you have to come over to Ocean City, I think.

Mr. HALLEY. But it is on the beach?

Mr. ELWELL. It is on the beach, on the Atlantic front.

Mr. HALLEY. Yes. When did you acquire that house?

Mr. ELWELL. We began to build in September 1949.

Mr. HALLEY. You say it is a two-family house?

Mr. ELWELL. Yes.

Mr. HALLEY. Do you occupy it yourself or rent it?

Mr. ELWELL. I occupy the downstairs apartment, and the upstairs apartment is rented.

Mr. HALLEY. To whom do you rent the upstairs?

Mr. ELWELL. We rent it just in the summer.

Mr. HALLEY. What did it cost to erect that house?

Mr. ELWELL. Approximately \$15,000.

Mr. HALLEY. Did you lay out cash for that or is that on a mortgage?

Mr. ELWELL. It is on a mortgage, a \$5,000 mortgage against it.

Mr. HALLEY. \$10,000 you laid out in cash.

Mr. ELWELL. Approximately.

Mr. HALLEY. What did the land cost you on which the house is built?

Mr. ELWELL. On the land, about \$1,300.

Mr. HALLEY. Did you pay cash for that?

Mr. ELWELL. I did.

Mr. HALLEY. Do you own any other real estate?

Mr. ELWELL. No, sir.

Mr. HALLEY. Do you own any stocks and bonds; you or your wife?

Mr. ELWELL. I have some stock with the A. T. & T., \$1,300 or \$1,400 I paid for it.

Mr. HALLEY. When did you acquire that?

Mr. ELWELL. In 1948.

Mr. HALLEY. Do you own any other stocks or bonds?

Mr. ELWELL. No, sir.

Mr. HALLEY. I have been addressing these questions to you. Would the answers apply to your wife as well?

Mr. ELWELL. I didn't hear you.

Mr. HALLEY. Does your wife own any property independent of yourself?

Mr. ELWELL. No, sir.

Mr. HALLEY. No real estate or stocks and bonds?

Mr. ELWELL. No, sir.

Mr. HALLEY. Where do you have a bank account, Captain?

Mr. ELWELL. I have a bank account in the City National Bank & Trust.

Mr. HALLEY. In Philadelphia?

Mr. ELWELL. In Philadelphia.

Mr. HALLEY. Do you have any other bank account?

Mr. ELWELL. No; I have no other bank account.

Mr. HALLEY. Would you state approximately what your bank balance is?

Mr. ELWELL. About a thousand right now.

Mr. HALLEY. About a thousand dollars. Do you have any safe deposit box?

Mr. ELWELL. No, sir.

Mr. HALLEY. Do you have any cash moneys that you possess in any way at all?

Mr. ELWELL. No, sir.

Mr. HALLEY. Do you have any other assets in addition to those we have talked about?

Mr. ELWELL. No, sir.

Mr. HALLEY. None whatsoever, and your wife does not?

Mr. ELWELL. No, sir.

Mr. HALLEY. Do you have any children?

Mr. ELWELL. My children are all grown up.

Mr. HALLEY. They are all grown up?

Mr. ELWELL. I have one left out of the three, two are married.

Mr. HALLEY. Have you in recent years made any gifts, substantial gifts, say in value of over \$100, to your children?

Mr. ELWELL. I did when one of them got married. I think I gave her \$100.

Mr. HALLEY. Anything else?

Mr. ELWELL. No.

Mr. HALLEY. Do you own an automobile?

Mr. ELWELL. I own an automobile.

Mr. HALLEY. What kind?

Mr. ELWELL. I am buying it, I should say. The last car I bought was in 1940. Then I bought one in 1946. That was wrecked in 1949, and I am buying this other one now.

Mr. HALLEY. What type of car is it?

Mr. ELWELL. A Chrysler.

Mr. HALLEY. What model?

Mr. ELWELL. New Yorker.

Mr. HALLEY. That is the large one, is it not?

Mr. ELWELL. That is the large—it is between the large. It is an 8-cylinder car.

Mr. HALLEY. An 8-cylinder car.

The CHAIRMAN. That is the large one.

Mr. HALLEY. Did your children go to college?

Mr. ELWELL. No, sir.

Mr. HALLEY. Captain, we have been talking to Patrolman McDonald. I don't think there is any mystery about the differences between you and Patrolman McDonald. Is it a fact that on May 3, 1950, he arrested a man named Jack Rogers and charged him with writing numbers?

Mr. ELWELL. That is true.

Mr. HALLEY. And taking horse bets?

Mr. ELWELL. That is true.

Mr. HALLEY. That he reported immediately in writing that Rogers had offered him a bribe?

Mr. ELWELL. No, sir.

Mr. HALLEY. That is not so?

Mr. ELWELL. That is not true.

Mr. HALLEY. What would the truth be with respect to that?

Mr. ELWELL. Could I go on? I will try to go on if you permit me.

Mr. HALLEY. Would you prefer to state it your own way?

Mr. ELWELL. Yes. Would you like me to?

The CHAIRMAN. Make it as brief as possible.

Mr. ELWELL. I will do it as quickly as I can.

Mr. HALLEY. Surely.

Mr. ELWELL. I have no records. The records are now in the hands of the city solicitor because of mandamus proceedings. I don't have any, but I will try to get it closely as I can. I think it was May 3, and I feel certain that was on a Wednesday night.

On May 3, I was acting police inspector in the absence of Inspector Murphy. I came to my quarters from my station from 55 and Pine, and I arrived at the station house at 85 and Woodland Avenue at about 5 o'clock. I proceeded to my office and then I was making arrangements to go to dinner, to go home for supper. On my way out close to 6 o'clock, House Sergeant Hall called my attention to the fact that the officer had made an arrest of horses, numbers, and leads. He had made out a form that was not complete, and this type of form is the only form that a police officer makes that goes to the superintendent of police over the head of a commanding officer.

I might say, if you will permit me, that this form someday 6 or 8 months from now that officer will be confronted with that by the assistant district attorney when he is trying his case.

That is the importance of the form.

So I said to Sergeant Hall, would you have the officer come in and I will wait a little longer and we will get him straightened up, knowing that he is an officer not usually in our district. He came from the motor bandit patrol, I would help him.

So he came in off the street. I should think he arrived about 10 or 15 minutes after 6. He, Sergeant Hall and myself went into my office. We made out his regular form in which he stated that he had arrested this man at Sixty-second and Woodland Avenue and had at the time searched him and found seven slips of paper, three slips indicating horse play, three slips indicating numbers play, and one slip indicating lead play. He placed him under custody and sent him to the station house and had gotten also \$120 in cash and some change.

The officer had a conversation with the man, and so forth, conforming with that form of ours. It came close to 7 o'clock and he was ready to go out and I was ready to go out, and the sergeant was. There was quite a burst of furor in the roll room, which was a good 40 feet from my office, to this effect, and these are the words that were used, vulgar words: "No G. D. cop is going to rob me." I was on my way out the hallway. The street sergeant and the young man, Gallagher, Patrolman Gallagher who helps and assists the house sergeant, were coming toward me. The street sergeant was Leo Broderick. "Captain," he said, "this man is hollering that he has been robbed; that he has been short-changed."

I said, "Well, come in the office."

McDonald was in back of me. He said nothing. Sergeant Hall was to one side of me, and he said nothing. So we sat down and I said "Who arrested you?"

He said "He did," pointing over my shoulder, and I looked and it was McDonald, Officer McDonald.

I said to the house sergeant, "Did you slate him?"

He said "No; I didn't." I said: "Is there any moneys on the books for him?"

He said, "There isn't."

"Who slated him?"

He said "Sergeant Kenney."

I said: "We will have to get a hold of Sergeant Kenney."

So I called out to the young man in the house sergeant's room named Gallagher to get hold of Sergeant Kenney and have him come in. I turned and at that moment I said: "It is strange what happened to this man's money. There is nothing on the book. I don't understand it."

McDonald spoke up and said, "I have it," and pulled out an envelope, a shaggy, ragged, dirty envelope, one that had gone around **the circuit**.

He said: "I have it." And he counted it. I counted it. I counted it and it was \$127.25. There were \$124 in bills and \$3.25 in change.

I wasn't so sure of it; so I counted it again. I well remember that there were 15 fives; there were 4 tens, and 9 ones, and some odd change.

This man, I may say, this Rogers, said that this cop, as he put it, "got me for \$250 when he locked me up, and he stood me in the doorway and took my money."

I said: "There is nothing in the books for it."

"I want my money. No God-damned cop," he was saying to me, "is going to take my money away from me."

I said: "You are too noisy. Sit down. If we have your money, we are not going to keep it anyway."

I said to McDonald: "You see the position you put yourself in. Had you turned this money in, whatever you got, over to the house sergeant at the time for recording, this would not have happened."

He said: "You got \$250. You said in your own statement you got \$120," in his own handwriting. He handed me the envelope now, 3 hours later. I counted it to be \$7.25 more than you say it was. "I will have to take this man's statement."

At that time Sergeant Kenney had arrived, making three sergeants in the room, with the officer, the prisoner, and myself. I will take this man's statement and I will refer it to the superintendent for disposition. However, the man made his statement. He signed his statement.

I said to the officer: "In the face of all this, the perilous position you have put yourself in, I will have to refer it to the superintendent of police and in the meantime you are suspended."

Senator O'CONOR. May I ask a question right there. Was any reference made to any other moneys that he had on him at the time, the accused?

Mr. ELWELL. You mean Rogers had had some money on him?

Senator O'CONOR. Yes.

Mr. ELWELL. He did. He said something later, "They didn't get this," and he pulled out something. Just how much it was, I do not

know. Somewhere in his shirt or somewhere. They didn't get this, or he didn't get this.

Senator O'CONOR. Did that bring about further conversation with McDonald?

Mr. ELWELL. No, sir. I may say this: In my experience with this type of case, where the prisoner accuses a police officer of taking something or doing something, the police officer almost upsets your office to get at him, to slug him or thump him or curse him or do something or other. McDonald sat there just as mute as could be, never admitted it, never denied it.

We are at the point, which is about 8:15 at any rate, where I had suspended him and I said "That is all."

He said, "Is that all for me?"

I said "Yes" and he said, "I have something to say."

I said, "What is it?"

He said, "I have an additional charge against him. Would you take my word as an officer against this thief or criminal?"

I said, "Is he a criminal? How do you know?" To me he was just another horse man that the officer had arrested. I never saw the man before. He said "Yes," and I said, "I don't know him to be a criminal. However, if you know he is a criminal, you left yourself in a precarious position by not accounting for his money. You should have given it to the house sergeant and it would have been witnessed right there, and if this man had a complaint to make he would have made it right then. He wouldn't be making it 3 hours later."

Senator O'CONOR. Did he give any details as to the extent of his criminal record?

Mr. ELWELL. He said he had a long record, sir. I don't know what it was until the next day when I got the record back from city hall. The detective bureau sent us back a record of the man to be given to the officer to take to the hearing to present it to the magistrate in the morning.

Senator O'CONOR. You didn't think it sufficiently important to find out the nature of the record in order to determine whether his word would be sufficient upon which to suspend an officer?

Mr. ELWELL. Under the circumstances, where the charges are made out in public that way, in the presence of other officers, there is no alternative for a commanding officer but to suspend him pending the disposition of the superintendent. The superintendent could have put him back immediately or the director of public safety could have put him back immediately, but we can't do it. Once you suspend a man, you take that status away from him, and the captain has no right to reinstate him.

The officer then said to me, "I have additional charges against that man."

I said, "What are they?"

He said, "Bribery."

I said, "When did this happen?" I thought probably it happened when I was out of the room.

He said, "This afternoon."

"Where?" He said, "On the street."

"When was this?" He said, "When I arrested him."

I looked at the document. I said, "Did you charge him with bribery?"

He said "No."

I said, "Why didn't you?"

He wouldn't make any answer. I said: "Tomorrow morning I want you to go get a warrant from the magistrate charging him with bribery, attempting to bribe and bring it back to me."

He said: "I have additional charges against that Caserta."

I said, "Which Caserta?"

He said, "Mike Caserta."

I said: "Is he involved in this case?" He said "Yes."

I asked what did he do.

"He attempted to bribe me this afternoon on the station-house steps."

I said, "Did you arrest him?" and he said he did.

"What did you charge him with?"

He said, "Disorderly conduct."

I said: "Why didn't you charge him with bribery?"

He wouldn't answer that. I said: "Now, tomorrow you get a warrant for him and bring both warrants back to me."

These men had been released on copies of the charge approximately 6:40 at night. This Rogers had just been brought back close to 7 o'clock from city hall in the custody of two officers. When he went to the desk he was automatically relieved on the basis of this copy of the charge, certificate of arrest. Apparently, bail was paid and he was permitted to go.

Having that in mind, I felt sure we would be all right in the morning, and I arranged to have one fellow held over a little while in the morning until McDonald could come back from Fifty-fifth and Pine, to put his testimony in there. That was done.

The case went from me. I took it over to the inspector. I was left from then on. I took the case in to the superintendent of police; but, as far as further prosecution, I had no more to do with it. I wasn't consulted any more, and I haven't been to this very day. I was never called in to answer. I wish you gentlemen would consider this with me. There has been a lot said about this case in the city. I have been slandered pretty well. The fact that I can't say anything or couldn't have said anything is because this is a case pending before the superintendent of police. No matter what anyone else said, I couldn't say anything in reply without permission of the superintendent. So, I stood mute all the time.

Mr. HALLEY. Did you make a contemporaneous record in writing yourself of these events?

Mr. ELWELL. I beg your pardon?

Mr. HALLEY. Did you write out these charges yourself at the time?

Mr. ELWELL. To prefer against the officer?

Mr. HALLEY. Yes.

Mr. ELWELL. Yes, sir; I did.

Mr. HALLEY. You made a full statement of the case?

Mr. ELWELL. Very much so.

Mr. HALLEY. Do you have a copy you could let the committee have?

Mr. ELWELL. I don't have it now. I have none of those records.

Mr. HALLEY. Could we have it tomorrow morning?

Mr. ELWELL. I don't think you could, sir.

Mr. HALLEY. You didn't keep a copy of that yourself?

Mr. ELWELL. I did keep a copy, but it is in the hands of the city solicitor because he is going to defend the city in a mandamus proceeding.

Mr. HALLEY. Where could we get it?

Mr. STEIN. I will be glad to call up the city solicitor.

Mr. ELWELL. Mr. Ryan should have it.

The CHAIRMAN. Mr. Stein can get it.

Mr. STEIN. I think so.

Mr. HALLEY. You wrote out such a statement?

Mr. ELWELL. I made charges against him; yes, sir.

Mr. HALLEY. Captain Elwell, did you know Mike Caserta before the 5th of May 1950?

Mr. ELWELL. Yes, I have known him for a good many years. He lives only three or four blocks from where I do.

Mr. HALLEY. Have you ever had social relationships with him?

Mr. ELWELL. No social relations with him.

Mr. HALLEY. Any business relations?

Mr. ELWELL. No business of any kind.

Mr. HALLEY. How did you know him? Would you see him on the street?

Mr. ELWELL. I knew him when he was a little boy. I have lived out there all my life. The whole family of them lived there.

Mr. HALLEY. Do your families visit?

Mr. ELWELL. No.

Mr. HALLEY. You don't see him at restaurants or bars?

Mr. ELWELL. No.

Mr. HALLEY. Nothing like that?

Mr. ELWELL. No.

Mr. HALLEY. What business is Mike Caserta in?

Mr. ELWELL. He has the reputation of being in this lottery business, this horse.

Mr. HALLEY. Policy business?

Mr. ELWELL. The numbers business, horse business.

Mr. STEIN. We call it numbers here in Philadelphia.

Mr. HALLEY. Do you believe he is in the numbers business, Captain?

Mr. ELWELL. I have never caught him. I have never seen him.

Mr. HALLEY. Is that his reputation?

Mr. ELWELL. That is generally his reputation.

Mr. HALLEY. Does he live in the district over which you have charge?

Mr. ELWELL. Yes. I had charge.

Mr. HALLEY. For how many years?

Mr. ELWELL. I was there about 2 years.

Mr. HALLEY. What other known form of making a living has Mike Caserta to your knowledge?

Mr. ELWELL. I do not know.

Mr. HALLEY. Would you say, then, that he has no visible, honest means of support?

Mr. ELWELL. I wouldn't say that because I don't know anything about it other than what others say.

Mr. HALLEY. You are the captain in that district or were, and have known this man since you were both boys?

Mr. ELWELL. I knew his whole family.

Mr. HALLEY. Is he a man with a visible, honest means of making a livelihood or isn't he?

Mr. ELWELL. I don't know him that well.

Mr. HALLEY. To the extent that you as a police officer keep track of the people in your district——

Mr. STEIN. I think he has answered.

Mr. ELWELL. I don't know his business that well. I have never seen him that much. I haven't seen him that much. I say I lived in the community where he lives, you see.

Mr. HALLEY. Is it not your duty as a police captain to have some idea of the people in your district who apparently have no honest means of earning a living?

Mr. ELWELL. It is my duty, and I would say only from information that I have that he is in this numbers racket. I don't know of any other business that he is in, any other kind of business. I don't know of any.

Mr. HALLEY. Mike Caserta was arrested and booked in your station house on May 5, 1950, some time before 6 p. m.?

Mr. ELWELL. On May 5?

Mr. HALLEY. No, May 3, 1950, is that correct?

Mr. ELWELL. May 3 he was arrested according to the books, by McDonald.

Mr. HALLEY. Some time before 6 o'clock in the afternoon, is that right?

Mr. ELWELL. That is right.

Mr. HALLEY. I understand there was quite a row in the wardroom or main room of the station house when he was arrested.

Mr. ELWELL. I wasn't there.

Mr. HALLEY. Weren't you in the back room, in the office?

Mr. ELWELL. No, I was at Fifty-fifth and Pine. I hadn't come in yet.

Mr. HALLEY. When did you first come into the station house?

Mr. ELWELL. I came in, I would say, around 5 o'clock.

Mr. HALLEY. Around 5 o'clock.

Mr. ELWELL. Yes. I had been over to Fifty-fifth and Pine until after roll call.

Mr. HALLEY. Had he already been locked up at that time?

Mr. ELWELL. I don't know that.

Mr. HALLEY. You weren't told that when you came into the station?

Mr. ELWELL. No one told me until the officer told me that he wanted to prefer these charges.

Mr. HALLEY. Who told you that Rogers was locked up?

Mr. ELWELL. Rogers was brought in and slated by this other officer, this McDonald. He was slated by McDonald, and the house sergeant told me when I was going out at 6 o'clock, when I was going home, that McDonald had this arrest of a numbers man.

Mr. HALLEY. Of Rogers?

Mr. ELWELL. Yes, Rogers, and he didn't make this statement.

Mr. HALLEY. Didn't make what statement?

Mr. ELWELL. This form that has to be made out.

Mr. HALLEY. On what subject?

Mr. ELWELL. On the arrest of lottery or horse racing.

Mr. HALLEY. What goes on that form?

Mr. ELWELL. A brief history of the arrest and the conversation with the defendant and answers made of course by the defendant, and any evidence that was taken.

Mr. HALLEY. Wouldn't the sergeant at the desk get that when he booked the man, when he booked Rogers? Wouldn't the sergeant in the ordinary course of business insist on getting that from the officer?

Mr. ELWELL. He would get that charge from the officer. Then of course he should and must have the officer come and sit down with him and the prisoner and go over it in the absence of the commanding officer.

Mr. HALLEY. Why didn't the sergeant get that information?

Mr. ELWELL. He didn't get it. I don't know why.

Mr. HALLEY. When did you first find out he didn't?

Mr. ELWELL. The sergeant told me on my way out. I said bring the man in and we will get it from him.

Mr. HALLEY. As the captain in charge there, did you have an idea who was being locked up in your district?

Mr. ELWELL. At that time? Or any time?

Mr. HALLEY. On any day.

Mr. ELWELL. No.

Mr. HALLEY. You wouldn't know who was being booked or who wasn't?

Mr. ELWELL. Not unless I went out and looked at the book or it was called to my attention or when we get our arrests on 554.

Mr. STEIN. I don't mean to interrupt but I think there is a misunderstanding. He was not the captain in charge of that district. He was the acting inspector for the district, just stopping in there. He was the captain of another district where he left after roll call to come up there to do his duties as the inspector. So he was not the captain.

Mr. ELWELL. If I can clear it for you, that day——

Mr. HALLEY. I understand.

Mr. ELWELL. I was the inspector.

The CHAIRMAN. Let's get on. We are taking up too much time with this.

Mr. HALLEY. Wasn't Caserta actually arrested that afternoon before 6 o'clock?

Mr. ELWELL. Yes, he was.

Mr. HALLEY. Right in the station house?

Mr. ELWELL. I don't know that it was in the station house, I wasn't there. I hear——

Mr. HALLEY. He was booked in your station house.

Mr. ELWELL. He was booked in the station house.

Mr. HALLEY. For disorderly conduct.

Mr. ELWELL. Yes.

Mr. HALLEY. Caserta is a pretty well known and important person in your district?

Mr. ELWELL. No. McDonald says that, too.

Mr. HALLEY. He is pretty well known, isn't he?

Mr. ELWELL. He should be known by any officer who is there any length of time.

Mr. HALLEY. Wouldn't it be brought to your attention that Caserta had been arrested?

Mr. ELWELL. Not necessarily, no more than anyone else.

Mr. HALLEY. But it was brought to your attention that Rogers was arrested.

Mr. ELWELL. On my way out, as I say, the house sergeant called my attention to this particular one. You see, if I may clear this up, Caserta was arrested for disorderly conduct. The other fellow was arrested for numbers. Caserta just goes along the line as disorderly conduct arrest and the regular form is made out for him, 554, as we call it, criminal memoranda. But on numbers arrests, narcotics arrests, vice arrests of any kind, there is a special form that the officer has to make up and sign himself.

Mr. HALLEY. Captain, do you mind if I ask a personal question? Do you have a scar on the pinkie of your left hand or do you habitually wear a ring there?

Mr. ELWELL. This hand?

Mr. HALLEY. Yes.

Mr. ELWELL. Yes; I wear a ring.

Mr. HALLEY. Do you have a reason for not wearing it today?

Mr. ELWELL. Yes; I had a sore finger.

Mr. HALLEY. What kind of ring do you ordinarily wear?

Mr. ELWELL. A little gold ring.

Mr. HALLEY. Does it have a jewel in it?

Mr. ELWELL. No.

Mr. HALLEY. You had no particular reason for not wearing it before this committee?

Mr. ELWELL. No; I did not. In fact I forgot it. I washed my hands and left it off.

Mr. HALLEY. I was just wondering because apparently you wear it customarily. There is a very noticeable ring mark on your left finger.

Mr. ELWELL. It could be, and it is.

Mr. HALLEY. Would you have any explanation to the committee of how you accumulated enough money for, as I total it up, \$10,000 for a house, \$1,400 for bonds, \$1,300 for a lot, \$1,000 in the bank, \$1,500 in cash in another house? That alone would be approximately \$15,000 plus an automobile which you say you are paying for, which must cost at least \$3,000, a Chrysler New Yorker.

Mr. ELWELL. Yes; but I didn't pay that much for it. I had another car that I had in 1940 that I turned in. I had an allowance on that car. Then when I lost my other car the insurance company—

Mr. HALLEY. What did the Chrysler New Yorker cost you?

Mr. ELWELL. You mean the selling price of a Chrysler New Yorker? I think it is \$3,145.

Mr. HALLEY. Just in general would you state how you accumulated those funds on your salary as a captain?

Mr. ELWELL. I have been in the department since 1923. I have been 27 years in the police department, and I have lived a pretty good life and taken care of myself and my money.

Mr. HALLEY. Have you always had an automobile?

Mr. ELWELL. No, I haven't always had an automobile. I had an automobile from I guess about 1936 or '38. I bought an automobile, an old car, a used car.

Mr. HALLEY. Why did you feel it necessary to make the statement that the officer had taken some money from Rogers?

Mr. ELWELL. May I ask you, will you ask me that again?

Mr. HALLEY. Why did you feel it necessary to accept the statement that the officer had taken some money from Rogers?

Mr. STEIN. Wait a minute. I don't want to interfere, but I think there is a misunderstanding. I think the captain told you it made no difference whose word he took. He merely suspended the officer because he took the money, put it in his pocket and didn't turn it in to the house sergeant. That is the only reason why he suspended him. As I understood the testimony, it didn't make any difference whether it was Rogers or the most reputable citizen in Philadelphia.

Mr. HALLEY. For what did the officer book Rogers, for numbers writing?

Mr. ELWELL. Numbers writing, horse writing.

Mr. HALLEY. He came in and booked him for numbers writing. Would the sergeant book him unless he had some policy slips to give the sergeant?

Mr. ELWELL. He introduced as evidence some seven slips that he had.

Mr. HALLEY. Wouldn't the sergeant in that case be absolutely certain to say, "Did you take any money from him?" How could that possibly have been avoided at the time of the arrest?

Mr. ELWELL. The officer exhibited a bundle of money to the desk.

Mr. HALLEY. I see.

Mr. ELWELL. He exhibited it, but he didn't allow the sergeant to count it and he didn't count it in front of the house sergeant.

Mr. HALLEY. Didn't the sergeant go through the regular routine and have the money produced?

Mr. ELWELL. He didn't get a chance. McDonald picked the money up again and put it in his pocket.

Mr. HALLEY. The sergeant runs the station house?

Mr. ELWELL. That is what happened. This was a change time, and one sergeant left the other one to handle it from where one left off. Sergeant Hall took over where Kenney left off. It is the custom that they go out ahead of time. When it comes quitting time, they run out and leave whatever is there for the next man to take over.

Mr. HALLEY. The money was counted in front of the sergeant, was it not?

Mr. ELWELL. It was not.

Mr. HALLEY. Whose fault would that be? If the money was produced at the sergeant's desk——

Mr. ELWELL. It was.

Mr. HALLEY. And the money wasn't counted—the sergeant didn't order it counted—whose fault is that?

Mr. ELWELL. It is the fault of the sergeant for not doing it. He should have done it. I asked him why he didn't do it. He said McDonald put the money in his pocket and walked away.

Mr. HALLEY. Doesn't it look to you as though everybody in that station house was just petrified for fear of arresting this fellow Rogers, and McDonald was just standing there with his money and policy slips and nobody even wanted to count the money?

Mr. ELWELL. I don't know about that; but no matter who Rogers was or who he wasn't, the officer arresting him should have turned it in to the house sergeant and have it properly recorded.

Mr. HALLEY. He put it on the desk.

Mr. ELWELL. He pulled it away, so the sergeant said.

Mr. HALLEY. Did you suspend the sergeant?

Mr. ELWELL. No; I didn't.

Mr. HALLEY. Who was in charge at that point when the money was on the sergeant's desk?

Mr. ELWELL. The house sergeant was in charge.

Mr. HALLEY. And the money was right there on his desk?

Mr. ELWELL. Yes. He says it was on his desk. I wasn't there. I am only taking what the house sergeant said.

Mr. HALLEY. Didn't the sergeant fail to do his duty then in taking possession of that money when it was on his desk?

Mr. ELWELL. I asked him that question, why he didn't. "Why didn't you take the money?" He said, "I couldn't take it when McDonald walked away, walked out with the money in his pocket."

Mr. HALLEY. The sergeant was the boss at that point. He was running that station house. In any event, you did not suspend the sergeant?

Mr. ELWELL. I did not; no, sir.

The CHAIRMAN. Let's get on.

Mr. HALLEY. I have no other questions right now.

The CHAIRMAN. Any questions, Mr. Klein?

Mr. KLEIN. I have no questions. You will submit the books to the committee investigators tomorrow morning?

Mr. STEIN. Yes, sir. Well, let me make this request. I have sat here all day long. I would like to make an appointment at your convenience and mine, without having to sit here.

Mr. KLEIN. We are in room 4010 in this building, and you can come up there at any time tomorrow morning and there will be someone to receive them.

Mr. STEIN. Do you want him to leave them here?

Mr. KLEIN. Yes.

Mr. STEIN. He has no books.

Mr. KLEIN. We want his back bank statements and his canceled checks.

Mr. STEIN. For what period of time?

The CHAIRMAN. Any questions, Senator O'Connor?

Senator O'CONNOR. No.

Mr. STEIN. Just for the year

Mr. KLEIN. Your subpoena states the period.

Mr. HALLEY. Do you want to say something?

Mr. ELWELL. McDonald knows Caserta very well.

Mr. STEIN. I just want to say this, to bring out this point. Was McDonald on duty?

Mr. ELWELL. McDonald was coming on duty. He hadn't arrived on duty. This occurred, according to the records, at 3:15.

The CHAIRMAN. Captain Elwell, do you know any officers under your command who have accepted pay-offs from any of these numbers writers?

Mr. ELWELL. No, sir; I do not.

The CHAIRMAN. There is a rumor about town, quite well known—of course, you know it—that they operate systematically and that there is pay-off to the police.

Mr. ELWELL. It has never come to my attention.

The CHAIRMAN. You have heard the rumor?

Mr. ELWELL. I have heard the rumor. I read it in the paper.

The CHAIRMAN. But you have never known anything about it?

Mr. ELWELL. No, sir; I have never.

The CHAIRMAN. Is it possible for them to operate on such an extensive scale without getting some protection?

Mr. ELWELL. I don't know. I think they are rather brazen to take a chance on doing anything. The average police officer walking about in uniform can either take them or let them go. It strikes me that they haven't been taking him off the street.

Senator O'CONNOR. That they have or have not

Mr. ELWELL. That they have not.

The CHAIRMAN. Then they haven't been very diligent in bringing in these people.

Mr. ELWELL. They have not.

The CHAIRMAN. Is that your idea?

Mr. ELWELL. That is right.

The CHAIRMAN. Are you still a captain now, or assistant superintendent?

Mr. ELWELL. I am still a captain.

The CHAIRMAN. Thank you, Captain.

Mr. ELWELL. All right, sir.

Mr. STEIN. Let me ask this: All you want is the records. You don't want the captain tomorrow?

The CHAIRMAN. We don't want the captain, just the records.

Mr. HALLEY. Your associate, Mr. Gray, represents Stromberg and Weisberg, and you represent the policemen?

Mr. STEIN. He doesn't know anything about it.

Mr. HALLEY. I am sure of that. I would like the record to show it.

Mr. STEIN. I have only office connections. If you feel it is reprehensible, I will withdraw it.

Mr. HALLEY. I didn't say it. I just want the record to show it. May the record show that you represent this Captain Elwell—and what other police captains?

Mr. STEIN. Inspector Driscoll, and I represent Captain McBride.

Mr. HALLEY. Who is your boss?

Mr. STEIN. William A. Gray.

Mr. HALLEY. You occupy offices together.

Mr. STEIN. That is right.

Mr. HALLEY. Are you partners?

Mr. STEIN. No.

Mr. HALLEY. Do you receive a salary from him?

Mr. STEIN. I do.

Mr. HALLEY. Whom does William A. Gray represent here today?

Mr. STEIN. I don't know. It is news to me.

Mr. KLEIN. Mr. Gray represents Harry Stromberg, also known as Nig Rosen, and also Willie Weisberg.

Mr. HALLEY. Perhaps before we examine Mr. Rosen and Mr. Weisberg we ought to have Mr. Gray in to verify that fact. Would you do that, Mr. Chairman?

The CHAIRMAN. Yes, indeed. Let me understand. You say he pays you a salary.

Mr. STEIN. That is right. The arrangement is this: He pays me a salary. I have office space and secretarial service, and I am allowed to handle cases of my own, and whichever cases I handle of my own

the fees from those cases are entirely and solely mine. In other words, he just——

The CHAIRMAN. What does he pay you a salary for? Do you handle some cases for him?

Mr. STEIN. Yes; I do.

The CHAIRMAN. You handle some cases for him.

Mr. STEIN. Yes; that is right.

The CHAIRMAN. Are you handling these captains' cases for him?

Mr. STEIN. No; I do not.

The CHAIRMAN. Are they your clients or his?

Mr. STEIN. They are my clients. I tell you how it happened. John Driscoll, the inspector, is a very good friend of mine. He told me about this subpoena and asked me to come down with him. This morning while I was here it was only then that Vincent Elwell and Luke McBride also asked me to sit in with them. Neither did know that Mr. Gray was going to be here until Mr. Klein just mentioned it. I am sure if you call in Mr. Gray he will verify it. If you think it is prejudicial to my client, I would rather——

The CHAIRMAN. We are not passing upon the matter of legal ethics or who you can represent or who you can't. That is a matter for you and your own conscience. In order not to tie up further today you or your clients, we will let you go until in the morning; you can tell them to be back tomorrow. You can tell them out there now.

Mr. STEIN. I do want to state clearly for the record that I had no knowledge of any kind that Mr. Gray was going to be here with anybody else.

The CHAIRMAN. Very well; let's get on.

Mr. GRAY. My name is William A. Gray. I am representing Mr. Harry Stromberg; and I want, if I may, for the record, to say that Mr. Stromberg was subpoenaed——

Mr. HALLEY. Could we get the appearances before you make any statement?

Mr. GRAY. The name of the witness is Harry Stromberg. My name is William A. Gray, of the Philadelphia bar, 2100 Girard Trust Co. Building.

I want to say with respect to Mr. Stromberg that he was subpoenaed to appear here on Monday next, October 16; and, discussing the matter with Mr. Klein, he asked me whether I would honor the subpoena as of today. I talked to him yesterday, I guess it was, or Wednesday about the matter. I told him that I would be glad to try to arrange to get Mr. Stromberg here from New York, and I immediately did that. So he is here not as a voluntary witness but here in response to your subpoena, considering the date has been changed.

The CHAIRMAN. We will let the record show that he is here under subpoena and that the subpoena for his appearance on Monday has by consent been amended so that he appears under the subpoena today.

Anything else?

Mr. GRAY. One other thing. I want to say that under the immunity statutes of the United States I am asking the record to note that on behalf of Mr. Stromberg I am claiming immunity from any further prosecution or the use of this evidence against him in any other proceedings in the United States.

The CHAIRMAN. Very well; your claim is made a part of the record.

Mr. GRAY. Thank you.

The CHAIRMAN. Will you rise and be sworn? You do solemnly swear the testimony you will give this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. STROMBERG. I do.

TESTIMONY OF HARRY STROMBERG, MIAMI BEACH, FLA., ACCOMPANIED BY WILLIAM A. GRAY, ATTORNEY AT LAW, PHILADELPHIA, PA.

Mr. HALLEY. May the record show that Mr. Goldschein and his assistants have left the room.

Mr. GRAY. That doesn't mean anything. I haven't the slightest objection to their being here if they want to.

The CHAIRMAN. I think they didn't want to be here during the time that Mr. Stromberg testified.

Mr. HALLEY. What is your full name?

Mr. STROMBERG. Harry Stromberg.

Mr. HALLEY. Are you known by any aliases?

Mr. STROMBERG. I am known by Harry Rosen, but I don't use that.

Mr. HALLEY. What is your address?

Mr. STROMBERG. 4236 Pine Tree Drive, Miami Beach, Fla.

Mr. HALLEY. Do you have a New York address?

Mr. STROMBERG. I haven't any now outside of my brother's house for a while.

Mr. HALLEY. Where is your brother's house in New York?

Mr. STROMBERG. 2701 Grand Concourse.

Mr. HALLEY. What was your last New York address?

Mr. STROMBERG. 25 Central Park West, New York City.

Mr. HALLEY. Until when did you live there?

Mr. STROMBERG. June or July; I am not sure.

Mr. HALLEY. Did you ever live in Philadelphia?

Mr. STROMBERG. Yes; I did.

Mr. HALLEY. During what period?

Mr. STROMBERG. During what period? About 8 or 9 years ago.

Mr. HALLEY. When did you first come here?

Mr. STROMBERG. About 18 years ago.

Mr. HALLEY. Where were you born?

Mr. STROMBERG. Russia.

Mr. HALLEY. When did you come to the United States?

Mr. STROMBERG. When I was about 4 years old. That would make it about 1906.

Mr. HALLEY. To what city did you come?

Mr. STROMBERG. New York City.

Mr. HALLEY. You have lived in New York City continuously from 1906 until what date?

Mr. STROMBERG. Until 18 years, when I went to Philadelphia.

Mr. HALLEY. About 1932?

Mr. STROMBERG. Approximately that, 1933 or 1931.

Mr. HALLEY. Are you a citizen?

Mr. STROMBERG. Yes, I am.

Mr. HALLEY. When did you become a citizen?

Mr. STROMBERG. About 5 or 6 years ago. I was a citizen under my father's papers years back, but I have my own.

Mr. HALLEY. Have you ever been convicted of a crime?

Mr. STROMBERG. Yes.

Mr. HALLEY. Will you state the offense and the circumstances and the place and so forth?

Mr. STROMBERG. 1921, burglary.

Mr. HALLEY. Where?

Mr. STROMBERG. New York City.

Mr. HALLEY. Convicted?

Mr. STROMBERG. Yes. No. I pleaded guilty.

Mr. HALLEY. You pleaded guilty. Were you sentenced to a jail term?

Mr. STROMBERG. Yes.

Mr. HALLEY. What was that?

Mr. STROMBERG. About 13 months.

Mr. HALLEY. Were you previously convicted of juvenile delinquency in 1915 in New York?

Mr. STROMBERG. Yes. I was.

Mr. HALLEY. Was that your first conviction, in 1915?

Mr. STROMBERG. I think so.

Mr. HALLEY. What was your second conviction of a crime?

Mr. STROMBERG. I don't remember.

Mr. HALLEY. Burglary in 1922? I might say I am not trying to trip you up.

Mr. STROMBERG. I know that. It is so long ago.

Mr. HALLEY. I will ask leading questions.

In 1918 were you arrested for robbery but were discharged, in New York?

Mr. STROMBERG. If you would call it arrested for robbery. I was just a victim of circumstances.

Mr. HALLEY. Anyway you were discharged.

Mr. STROMBERG. Yes.

Mr. HALLEY. In 1920 were you arrested for robbery, discharged but returned to a Jewish protectory for violation of parole?

Mr. STROMBERG. I believe so.

Mr. HALLEY. How long did you spend in the Jewish protectory?

Mr. STROMBERG. In 1920?

Mr. HALLEY. No; altogether.

Mr. STROMBERG. About 2 years.

Mr. HALLEY. Then in 1922 you had this burglary conviction?

Mr. STROMBERG. That is right.

Mr. HALLEY. And went to the State penitentiary at Elmira?

Mr. STROMBERG. The reformatory, not State penitentiary, reformatory.

Mr. HALLEY. Was Neddie Herbert involved in that conviction?

Mr. STROMBERG. No, sir.

Mr. HALLEY. Do you know Neddie Herbert?

Mr. STROMBERG. Yes; I do.

Mr. HALLEY. He was in the Jewish protectory the same time you were?

Mr. STROMBERG. Yes; but I came away before him.

Mr. HALLEY. You have known him ever since, though; is that right?

Mr. STROMBERG. We lived on the East Side all our lives.

Mr. HALLEY. Then in 1925 were you arrested for robbery but discharged?

Mr. STROMBERG. If you want to call it for robbery.

Mr. HALLEY. You were discharged.

Mr. STROMBERG. Yes; I was discharged.

Mr. HALLEY. And you were arrested?

Mr. STROMBERG. Yes.

Mr. HALLEY. If the record shows robbery, that is apparently what the charge was.

Mr. STROMBERG. An officer can put any charge sometimes.

Mr. HALLEY. In 1928 were you arrested for reckless discharge of firearms on a highway and larceny of an automobile, and were you charged with those offenses?

Mr. STROMBERG. Repeat that again, please.

Mr. HALLEY. Were you charged in 1928 with reckless discharge of firearms on a highway and larceny of an automobile?

Mr. STROMBERG. I don't remember that. I positively don't know. I don't deny it, but I don't remember it.

Mr. HALLEY. Do you remember appearing in court and having a directed verdict of not guilty by Judge Shaw?

Mr. STROMBERG. Of robbery, of a gun?

Mr. HALLEY. Yes.

Mr. STROMBERG. I don't remember that.

Mr. HALLEY. In 1930—

Mr. STROMBERG. Excuse me a minute. May I speak to Mr. Gray?

Mr. HALLEY. Sure.

(Witness and counsel conferring.)

Mr. GRAY. Tell it to him as you told it to me.

Mr. STROMBERG. I was arrested with a gun. I don't remember the year.

Mr. HALLEY. Yes?

Mr. STROMBERG. The grand jury threw the indictment out. I don't remember about an automobile.

Mr. HALLEY. All right.

In 1930 were you arrested on a prohibition violation?

Mr. STROMBERG. Yes, I was.

Mr. HALLEY. I think there was no disposition of that, is that right?

Mr. STROMBERG. I think we got 6 months' probation. I am not sure.

Mr. HALLEY. Thank you. That is one you added, and I appreciate your frankness. The record doesn't show that.

By the way, you were in the bootlegging business during the prohibition days?

Mr. STROMBERG. I refuse to answer that question on the ground it might incriminate me of a Federal offense.

Mr. HALLEY. I am referring now to a period before the year 1932.

Mr. STROMBERG. I refuse to answer on the ground it might incriminate me of a Federal offense.

Mr. HALLEY. I advise you that the statute of limitations has obviously run on any national prohibition offense prior to 1932.

Mr. STROMBERG. I still refuse to answer that question on the ground it might incriminate me of a Federal offense.

The CHAIRMAN. The chairman directs you to answer and in the opinion of the chairman you have no immunity, no privilege not to answer because in any event it has been so long ago that no charge could grow out of anything you said about it.

Mr. GRAY. Will you allow me, Mr. Chairman, to reply? Do you prefer to be addressed as Senator or Chairman?

The CHAIRMAN. Either one.

(Witness and counsel conferring.)

Mr. GRAY. I am advising him to answer.

Mr. STROMBERG. Yes.

Mr. HALLEY. That is yes, you were in bootlegging business?

Mr. STROMBERG. Yes.

Mr. HALLEY. Were you associated in that business with Abner Zwillman?

Mr. STROMBERG. I refuse to answer that question on the ground it might incriminate me of a Federal offense.

Mr. HALLEY. I ask the Chair again to direct that an answer be given.

The CHAIRMAN. Yes, I must direct you to answer that question because it relates to matters before 1933.

(Witness and counsel conferring.)

Mr. STROMBERG. I don't remember if I was or not, sir.

Mr. HALLEY. You know Abner Zwillman?

Mr. STROMBERG. Yes, I do.

Mr. HALLEY. In 1932 were you arrested as an idle, disorderly person and suspicious character, but discharged?

Mr. STROMBERG. I don't remember that. I probably was. I just don't remember.

Mr. HALLEY. In 1935 were you arrested for conspiracy to maintain a lottery?

The CHAIRMAN. Does the record show where?

Mr. HALLEY. You were arrested in New York and turned over to Philadelphia, were you not?

Mr. STROMBERG. Yes, I was.

Mr. HALLEY. You were brought back here to Philadelphia?

Mr. STROMBERG. Yes, sir.

Mr. HALLEY. What disposition was made of that?

Mr. STROMBERG. Not guilty.

Mr. HALLEY. That was before Judge Alesandroni?

Mr. STROMBERG. That is right.

Mr. HALLEY. In 1936 you were held for inquiry in Media, Pa.?

Mr. STROMBERG. Yes.

Mr. HALLEY. And in 1937 were you convicted for being a suspicious character in association with criminals and disorderly persons in Camden, N. J., in 1937?

Mr. STROMBERG. Yes. We brought it to the higher court and the sentence was reversed.

Mr. HALLEY. Were you sentenced to 6 months in prison and a fine of \$100, is that right?

Mr. STROMBERG. Yes, and the sentence was reversed.

Mr. HALLEY. What is your present occupation?

Mr. STROMBERG. Dress manufacturer.

Mr. HALLEY. Where is your business and what is it called?

Mr. STROMBERG. One company is called Jay Lou Dress Co. and the other the Lou Jay Dress Co.

Mr. HALLEY. Do you own the Dearest Miss Dress Co.?

Mr. STROMBERG. I had an interest in it. It is out of business now.

Mr. HALLEY. How large an interest did you have in the Dearest Miss Co.?

Mr. STROMBERG. One-third.

Mr. HALLEY. Who were your partners?

The CHAIRMAN. Let me get the name of that company.

Mr. STROMBERG. Dearest Miss.

Mr. GRAY. May I say, Senator, so there will be no confusion—I believe that was a partnership. You used the word, as one would naturally use it, “company,” but I think both that and his present business from my own inquiry were partnerships. So you can address your questions accordingly.

Mr. HALLEY. Who were your partners in Dearest Miss?

Mr. STROMBERG. One by the name of John Goldstein and another by the name of Myer Goldstein. No relation.

Mr. HALLEY. Do you know Ben Levin in New York?

Mr. STROMBERG. Yes; I know him, but I don’t know him too well.

Mr. HALLEY. You do know him?

Mr. STROMBERG. Yes; just hello and good-by.

Mr. HALLEY. Where is the Jay Lou Co. located?

Mr. STROMBERG. 640 Caldwell Avenue, Bronx, New York.

Mr. HALLEY. Who are your partners in that company?

Mr. STROMBERG. Louis Stromberg.

Mr. HALLEY. Is he related to you?

Mr. STROMBERG. Yes, brother. And David Bernoff.

Mr. HALLEY. How many employees do you have there?

Mr. STROMBERG. It is in existence now about 9 months. I haven’t been taking an active part in there. But I would say there is between both places about 50 to 60 employees.

Mr. HALLEY. You mean Jay Lou and Lou Jay?

Mr. STROMBERG. Yes.

Mr. HALLEY. That is in the summertime. How many do you have in the business in the busy season?

Mr. STROMBERG. All the year around. It is a factory and they sew dresses on a machine.

Mr. HALLEY. Where is the Jay Lou?

Mr. STROMBERG. Same address.

Mr. HALLEY. Who are the partners there?

Mr. STROMBERG. Same.

Mr. HALLEY. Why do you have two different names?

Mr. STROMBERG. We bought one factory, it was two separate factories at that time. We only bought one, and then about 3 or 4 months later we bought the other one.

Mr. HALLEY. Do you have any other business?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. You have already opened the door by telling us about one business and whether you have any others is a fair question.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

The CHAIRMAN. Do you have any other legitimate business?

Mr. STROMBERG. That is different.

Mr. HALLEY. Do you have any other legitimate business?

Mr. STROMBERG. No.

Mr. HALLEY. Do you have any other businesses whatsoever?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. What Federal offense do you have in mind?

Mr. STROMBERG. All.

Mr. HALLEY. All. You understand that you have no privilege against any assertions that might or would tend to incriminate you under State law?

Mr. GRAY. Well, now, may I state for the record, and if I interrupt improperly you please correct me, of course. Though I have represented Senate committees, I have never yet been before them in the capacity of representing anyone else. It is my belief that that question is now being argued before Judge Gainey and briefs have been furnished to him in connection with the grand-jury investigation. I am entirely familiar, of course, with the Camarata case, which rules that where there is a refusal to answer a question that might have involved a State offense, there was no protection under the fifth amendment, but that case is entirely different and distinct in its own position because the case went up to the third circuit on the question alone of whether or not he had to answer with respect to that which was a State offense. It is my belief and, wrongly or rightly, I have advised Mr. Stromberg that he does not have to answer the question, even though it might involve a State offense, if, in his opinion, it may involve also the matter of a Federal offense.

May I say while I am talking, with respect to the question put by counsel with respect to what Federal offense, a question of that type to be answered destroys the privilege a man may have to refuse to answer on the ground that it might incriminate him of a Federal offense because, if he names the Federal offense, he is then answering your question as to what business he is in that does violate the Federal law and the reason for which he claims his privilege.

Of course, I don't understand that I will be permitted to argue every one of these problems as they may arise, but I thought as to this particular one—

The CHAIRMAN. I am glad to have you make that statement, and I think at least on the first proposition you have made, we all understand what the state of the law is.

The question asked Mr. Stromberg was whether he had any other businesses?

Mr. HALLEY. That is correct. First, any other legitimate businesses. He said, "No." Then I said any other businesses which might not be legitimate, and he then asserted his privilege.

I might say there is nothing in the record at all to indicate any Federal offense being even nearly approached. Unless there is some indication that the questions are approaching any Federal offense, the assertion must be regarded to be, on its face, made without foundation.

Mr. GRAY. I am sorry to disagree with you and I will give you an illustration that I don't think you could answer. Suppose this gentleman—I am simply giving you a hypothetical case—was in the business of counterfeiting. What do you want him to do, make a statement that he declines to answer on the ground that it might convict him or incriminate him of the offense of counterfeiting?

Mr. HALLEY. Suppose we narrow our question down. Are you in any business which, while not legitimate under the laws of any particular State, does not violate any Federal law?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

The CHAIRMAN. The Chair directs you to answer.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. When did you first move to Florida?

The CHAIRMAN. While we are on the matter of his business, let the Chair ask one or two question on businesses.

Gambling is not a Federal offense. We agree on that, Judge Gray?

Mr. GRAY. Just an ordinary law, if you please, Senator. We agree that gambling in itself is not a Federal offense, but if I may in completing my answer to you, say neither gambling, numbers, any other kind of gambling, horse racing, anything of the kind, involves the question, but it may lead to further questions involving Federal offenses. While I recognize the fact that there are some cases that may differ with me, there are other cases that support me that he may take advantage of the right to refuse to answer on the ground that it might incriminate him if to answer that question furnishes a lead in the matter of a possible charge of commission of a Federal offense.

The CHAIRMAN. You don't know what other questions I am going to ask or whether I would ask any more.

Mr. GRAY. The first question from our point of view might, if answered, furnish a link and on that ground we refuse to answer.

Mr. HALLEY. If what counsel has in mind is any kind of income-tax problem, the privilege has already been waived by the answers with reference to his legitimate businesses. He has opened the door.

Mr. GRAY. Let me say this to you—

The CHAIRMAN. We are not going to get anywhere.

Mr. GRAY. May I say one more thing, if I may be permitted, and then I am through. You must remember the income tax law, section 145 (b), requires him to set forth his business and he sets forth one business, for instance the dress business in this case and doesn't set forth his other business, he commits an offense under the Federal law.

The CHAIRMAN. Very well. The Chair will ask you whether you are in any gambling business.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

The CHAIRMAN. The Chair directs you to answer.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

The CHAIRMAN. The Chair will specifically ask you whether you are in any numbers racket.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

The CHAIRMAN. Let the record show that any questions that the Chair allows to go to the witness and he refused to answer, he has been ordered to answer. Is that satisfactory?

Mr. GRAY. The record should show it by reason of the fact that you did so state.

The CHAIRMAN. The Chair will ask you if you have an interest in any casinos or crap games at the present time.

Mr. STROMBERG. I refuse to answer that question on the ground it might incriminate me of a Federal offense.

The CHAIRMAN. Do you have any stocks or bonds in any corporation?

(Witness and counsel conferring.)

Mr. STROMBERG. No; I haven't.

The CHAIRMAN. None whatsoever? Do you own any real estate?

Mr. STROMBERG. No. My wife owns a house. I don't own no real estate.

The CHAIRMAN. You mean the house in Florida?

Mr. STROMBERG. Yes.

The CHAIRMAN. Does she own any other real estate?

Mr. STROMBERG. Not to my knowledge. I don't think so.

The CHAIRMAN. Do you know if she owns any stocks or bonds?

Mr. STROMBERG. Outside of bonds for the child.

The CHAIRMAN. How many children have you?

Mr. STROMBERG. One.

The CHAIRMAN. How old?

Mr. STROMBERG. He will be seven in July, next July.

The CHAIRMAN. Do you have any business in Scranton, Pa., or thereabouts?

Mr. STROMBERG. What kind of business?

The CHAIRMAN. Any kind of business.

Mr. STROMBERG. No. My brother has that. I don't.

The CHAIRMAN. Your brother. What is your brother's name?

Mr. STROMBERG. Louis Stromberg.

The CHAIRMAN. What is that business?

Mr. STROMBERG. A dress factory. They make dresses.

The CHAIRMAN. Is that the same type of general business as the Jay Lou and Lou Jay?

Mr. STROMBERG. Yes. I think it is in Scranton. It may be outside of Scranton. I am not sure.

The CHAIRMAN. It is near Scranton?

Do you own any interest in that business yourself?

Mr. STORMBERG. No, sir.

The CHAIRMAN. Do you have or have you had any business near Chester, Pa.?

Mr. STROMBERG. Wilmington. That is the nearest.

The CHAIRMAN. How about Chester, Pa.?

Mr. STROMBERG. I have no business there, not that I know of.

The CHAIRMAN. What is your business at Wilmington?

Mr. STROMBERG. We had a credit store, Martin's Clothing Credit Co.

The CHAIRMAN. When did that cease doing business?

Mr. STROMBERG. About 11 or 12 years ago.

Mr. HALLEY. Have you had any business in or around the State of Maryland? I refer to the Jimmie LaFontaine Maryland Sporting Club, was it called, or Maryland Athletic Club.

Mr. STOMBERG. I refuse to answer that question on the ground it might incriminate me of a Federal offense.

Mr. HALLEY. Did you know Jimmie LaFontaine?

Mr. STROMBERG. Yes, sir.

Mr. HALLEY. Did you ever visit his premises in Maryland, the Maryland Athletic Club?

(Witness and counsel conferring.)

Mr. STROMBERG. You don't mind my taking a little time, do you, gentlemen?

Mr. GRAY. If I may be permitted to say what is bothering him, I am going to tell him to answer that question. Before the grand jury he refused to answer that question. I have since talked to him with respect to it and found out what the facts were with respect to it, and I told him I was undertaking before that grand jury to have him withdraw his refusal and answer the question. Therefore, I think he should answer it here to you——

The CHAIRMAN. Tell us anything about it.

Mr. GRAY. Even though it may differ from his refusal over there because I am in the position that I intend to see that his refusal is there withdrawn.

Mr. HALLEY. Go ahead, Mr. Stromberg.

Mr. STROMBERG. Yes; I was there.

Mr. HALLEY. Do you know Mugsy Taylor?

Mr. STROMBERG. Herman Taylor; yes, I do.

Mr. HALLEY. Was he over there with you?

Mr. STROMBERG. Not that I can remember.

Mr. HALLEY. Have you ever been in the presence of Taylor and LaFontaine, altogether?

Mr. STROMBERG. Where?

Mr. HALLEY. Anywhere.

Mr. STROMBERG. That was at Atlantic City; yes.

Mr. HALLEY. Anywhere else?

Mr. STROMBERG. I think at Philadelphia at a fight. Of course I am going back quite a few years. I am an old man, you know.

Mr. HALLEY. How long ago were you in the presence of Taylor and LaFontaine?

Mr. STROMBERG. I just don't remember. It is quite a few years I know.

Mr. HALLEY. Do you know Meyer Lansky?

Mr. STROMBERG. Yes.

Mr. HALLEY. Are you related to him by marriage or otherwise?

Mr. STROMBERG. No, sir.

Mr. HALLEY. He is reputed to be a brother-in-law of yours.

Mr. STROMBERG. I beg your pardon?

Mr. HALLEY. We have been told he is a brother-in-law of yours. Is that gossip?

Mr. STROMBERG. No relation whatsoever.

Mr. HALLEY. Do you know Jack Lansky?

Mr. STROMBERG. Yes.

Mr. HALLEY. How long have you known the Lansky's?

Mr. STROMBERG. Twenty-five or thirty years.

Mr. HALLEY. Have you ever had any business relations with Lansky?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Do you know Fred Reinfield?

Mr. STROMBERG. I beg your pardon?

Mr. HALLEY. Fred Reinfield.

Mr. STROMBERG. Yes; I believe I know him. Is that the Reinfield in New Jersey?

Mr. HALLEY. Yes.

Mr. STROMBERG. Yes.

Mr. HALLEY. How long have you known Reinfield?

Mr. STROMBERG. I have known him for about 20 years but I haven't seen him for at least 10. Pardon me. I don't think I know Fred.

Mr. HALLEY. Which Reinfield do you know?

Mr. STROMBERG. One of them, I am not sure which.

Mr. HALLEY. Do you know Louis Greenberg in Chicago?

Mr. STROMBERG. Let's get that other question first.

Mr. HALLEY. All right.

Mr. STROMBERG. You asked me about Fred Reinfield, was it?

Mr. HALLEY. The liquor man.

Mr. STROMBERG. I don't know if I ever met him or not. Not Fred.

Mr. HALLEY. Do you know James Rutkin?

Mr. STROMBERG. Yes.

Mr. HALLEY. How long have you known Rutkin?

Mr. STROMBERG. Twenty years.

Mr. HALLEY. Have you ever had any business dealings with James Rutkin?

Mr. STROMBERG. None whatsoever.

Mr. HALLEY. Do you know Jake Guzik?

Mr. STROMBERG. Who?

Mr. HALLEY. Jack Guzik.

Mr. STROMBERG. Jack Guzik?

Mr. HALLEY. G-u-z-i-k?

Mr. STROMBERG. I want to know if it is the same one I mean, from Chicago.

Mr. HALLEY. From Chicago.

Mr. STROMBERG. I know him, but not very well.

Mr. HALLEY. Do you know Louis Greenberg from Chicago?

Mr. STROMBERG. I don't believe I do.

Mr. HALLEY. You never met him?

Mr. STROMBERG. I don't think so, unless maybe if I would see him I would probably know him.

Mr. HALLEY. Did you know Bugsy Siegel?

Mr. STROMBERG. Yes, I did.

Mr. HALLEY. Were you ever in business with Bugsy Siegel?

Mr. STROMBERG. None whatsoever.

Mr. HALLEY. How long did you know Bugsy Siegel?

Mr. STROMBERG. 25 or 30 years.

Mr. HALLEY. Did you ever visit Bugsy Siegel, let's say, in California?

Mr. STROMBERG. Never.

Mr. HALLEY. Did you ever visit him in Las Vegas?

Mr. STROMBERG. Never.

Mr. HALLEY. Have you ever been in Las Vegas?

Mr. STROMBERG. Yes, sir.

Mr. HALLEY. When were you last in Las Vegas?

Mr. STROMBERG. The first and last time I was there was about a year ago, probably 10 months ago, probably 14 months ago.

Mr. HALLEY. Did you ever have any business there?

Mr. STROMBERG. None whatsoever.

Mr. HALLEY. When did you first move to Florida?

Mr. STROMBERG. You mean the house that we have now?

Mr. HALLEY. When did you buy that house?

Mr. STROMBERG. I didn't buy the house.

Mr. HALLEY. Your wife bought it?

Mr. STROMBERG. That is right.

Mr. HALLEY. When did she buy it?

Mr. STROMBERG. I think 3 years ago.

Mr. HALLEY. Prior to that did you stay in Florida?

Mr. STROMBERG. Yes; we stayed in Florida on vacations.

Mr. HALLEY. Pretty regularly every winter; isn't that the fact?

Mr. STROMBERG. Well, I wouldn't say regularly.

Mr. HALLEY. Quite often?

Mr. STROMBERG. Quite often; yes.

Mr. HALLEY. Did you rent houses or did you stay at hotels?

Mr. STROMBERG. We stayed at hotels.

Mr. HALLEY. Would you name the hotels at which you stayed at Miami Beach?

Mr. STROMBERG. We stayed at the Atlantis and the Grand Hotel. We had an apartment. I don't remember the street.

Mr. HALLEY. But no hotels except the Atlantis and the Grand?

Mr. STROMBERG. I don't believe that we stopped at any other hotel. We might have. I just don't remember.

Mr. HALLEY. Did you ever stay at the Martinique?

Mr. STROMBERG. Yes; that is right.

Mr. HALLEY. Any other?

Mr. STROMBERG. I don't remember that. If you know any and if you ask me and if you mention the name, if I stayed there, I will tell you.

Mr. HALLEY. The Sands Hotel?

Mr. STROMBERG. Well, I would stay there for a week when the house was closed up, but I was never in the Sands as a residence.

Mr. HALLEY. The Wofford Hotel?

Mr. STROMBERG. I think we stayed 1 year during the war when we couldn't get any rooms anywhere else.

Mr. HALLEY. Abe Allenberg would take you in when you couldn't get rooms elsewhere?

Mr. STROMBERG. I didn't say that.

Mr. HALLEY. Isn't that the fact?

Mr. STROMBERG. Are you answering my question or asking me a question?

Mr. HALLEY. Was Abe Allenberg the manager at the time?

Mr. STROMBERG. I think he was.

Mr. HALLEY. Do you know Little Augie Pisano?

Mr. STROMBERG. Yes; I do.

Mr. HALLEY. Do you know John King?

Mr. STROMBERG. John King; yes, I do.

Mr. HALLEY. How long have you known little Augie?

Mr. STROMBERG. 20 years.

Mr. HALLEY. Did you know Charles Lucky Luciano?

Mr. STROMBERG. Not very well, but I knew him.

Mr. HALLEY. Did you know him?

Mr. STROMBERG. Would I know him if I saw him? Yes.

Mr. HALLEY. Have you ever had any business dealings with him?

Mr. STROMBERG. None whatsoever.

Mr. HALLEY. Do you know Frank Costello?

Mr. STROMBERG. Yes; I do.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. Not too well, I know him, say, 15 years, no business together.

Mr. HALLEY. Do you know Joe Adonis?

Mr. STROMBERG. Yes; I know him.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. About 15 or 20 years, the first time I met him. I am not very friendly with him.

Mr. HALLEY. Do you know Frank Erickson?

Mr. STROMBERG. Yes.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. Maybe 10 or 12 or 15 years. I don't remember.

Mr. HALLEY. Have you ever had any business with Erickson?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Have you ever placed any bet on a horse?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Have you ever booked any bets on a horse?

Mr. STROMBERG. I refuse to answer that question on the ground it might incriminate me of a Federal offense.

Mr. HALLEY. Do you know Mickey Cohen?

Mr. STROMBERG. I met him once in my life.

Mr. HALLEY. Where did you meet him?

Mr. STROMBERG. I met him in New York. I was there introduced to him. That is the first and last time I met him, about 6 or 7 years ago.

Mr. HALLEY. Who introduced you to Mickey Cohen?

Mr. STROMBERG. I don't remember. We were in a bar, all drinking. I really don't remember.

Mr. HALLEY. Did you know Al Capone?

Mr. STROMBERG. I heard of him but didn't know him.

Mr. HALLEY. Did you know Charles Fischetti?

Mr. STROMBERG. Yes; Charlie Fischetti.

Mr. HALLEY. How long have you known Charlie Fischetti?

Mr. STROMBERG. From Florida.

Mr. HALLEY. How long?

Mr. STROMBERG. 10 or 12 years.

Mr. HALLEY. Did you ever go out with him to dinner?

Mr. STROMBERG. No; I don't believe we ever went out to dinner.

Mr. HALLEY. Where did you see him?

Mr. STROMBERG. In Florida.

Mr. HALLEY. Did Herman Taylor go to Florida, too? Did you ever see him there?

Mr. STROMBERG. Oh, sure.

Mr. HALLEY. Did you know Harry Russell?

Mr. STROMBERG. No; I know of him but I don't know him; never met him.

Mr. HALLEY. Do you know Bill Johnston down in Florida, the dog-track man?

Mr. STROMBERG. No; I don't believe I do. I don't think I know him.

Mr. HALLEY. Who is Max Weisberg? Do you know him?

Mr. STROMBERG. I don't know anybody by the name of Max Weisberg.

Mr. HALLEY. Willie Weisberg?

Mr. STROMBERG. Yes; I do.

Mr. HALLEY. Isn't he sometimes known as Max Weisberg?

Mr. STROMBERG. I know him as Willie.

Mr. HALLEY. How long have you known Willie Weisberg?

Mr. STROMBERG. 20 years.

Mr. HALLEY. Where did you first meet him?

Mr. STROMBERG. In Philadelphia, 18 years or 20 years ago, I am not sure.

Mr. HALLEY. Were you ever in business with Weisberg?

Mr. STROMBERG. Yes; I was.

Mr. HALLEY. What business?

Mr. STROMBERG. Martin Clothing Credit Co.

Mr. HALLEY. Is that the company in Wilmington?

Mr. STROMBERG. That is right.

Mr. HALLEY. When did you enter into that business?

Mr. STROMBERG. I don't know exactly, maybe about 13 years ago, to the best of my knowledge.

Mr. HALLEY. That would be around 1937?

Mr. STROMBERG. Something like that.

Mr. HALLEY. When did you say that business discontinued?

Mr. STROMBERG. About 2 years later. It didn't discontinue. We turned it over to the management.

Mr. HALLEY. You just gave it up?

Mr. STROMBERG. Yes. We had the management pay the bills, whatever it was.

Mr. HALLEY. Have you been in any other business with Willie Weisberg?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Have you had any other business dealings with Willie Weisberg?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Do you know Samuel Hoffman?

Mr. STROMBERG. Yes.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. About 18 or 20 years.

Mr. HALLEY. Where did you first meet him, here in Philadelphia?

Mr. STROMBERG. Yes.

Mr. HALLEY. Have you ever been in business with Samuel Hoffman?

Mr. STROMBERG. No.

Mr. HALLEY. Have you ever had any business dealings with him?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. When did you last see Willie Weisberg?

Mr. STROMBERG. 25 minutes ago.

Mr. HALLEY. Out in the reception room here?

Mr. STROMBERG. That is right.

MR. HALLEY. When did you last see him before that?

MR. STROMBERG. About 7 weeks ago.

MR. HALLEY. Where did you see him?

MR. STROMBERG. Atlantic City.

MR. HALLEY. Where do you stay in Atlantic City?

MR. STROMBERG. I don't stay nowhere. I ride down for the day and back. It is only a short drive.

MR. HALLEY. When were you last in Taylor's apartment in Atlantic City?

MR. STROMBERG. Taylor's house?

MR. HALLEY. Yes.

MR. STROMBERG. A couple of years ago, I think, 2 or 3 years ago. I just don't remember.

MR. HALLEY. Have you ever seen Charles Fischetti in Taylor's house?

MR. STROMBERG. No, sir.

MR. HALLEY. Or Rocco Fischetti?

MR. STROMBERG. No, sir.

MR. HALLEY. Or Joe Massei?

MR. STROMBERG. No, sir.

MR. HALLEY. Do you know Joe Massei?

MR. STROMBERG. Pardon me. Did you ask me if I saw Joe Massei in Herman Taylor's house? Is that the question?

MR. HALLEY. Yes.

MR. STROMBERG. I never did.

MR. HALLEY. Did you know Joe Massei?

MR. STROMBERG. Yes, I do.

MR. HALLEY. Have you ever had any business dealings with Joe Massei?

MR. STROMBERG. None whatsoever.

MR. HALLEY. Do you have any business in Florida?

MR. STROMBERG. Do I have any business in Florida?

MR. HALLEY. Yes.

MR. STROMBERG. Are you talking about now?

MR. HALLEY. Well, I will break my question up.

MR. STROMBERG. I want to know—

MR. HALLEY. The present question is, Do you?

MR. STROMBERG. Do I have any business now?

MR. HALLEY. Yes.

MR. STROMBERG. No.

MR. HALLEY. Now the next question is: Did you ever have any business in Florida?

MR. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

MR. HALLEY. Didn't you ever have any legitimate business in Florida?

MR. STROMBERG. Any legitimate business?

MR. HALLEY. In Florida.

(Witness and counsel conferring.)

MR. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

MR. HALLEY. Do you know Willie Moretti?

THE CHAIRMAN. Let's get that other question straight. The question was, Did you ever have any legal or legitimate business in Florida?

Mr. STROMBERG. I refuse to answer that question. What was the next question?

Mr. HALLEY. Will the chairman instruct the witness to answer the last question?

The CHAIRMAN. The record shows, and you understand the record shows, that any of these questions that the chairman lets be put to you, you are ordered to answer.

Mr. STROMBERG. Yes.

The CHAIRMAN. That is understood?

Mr. GRAY. We understand that on the record.

Mr. HALLEY. When you first came to Philadelphia what were the circumstances? Did you come here to work, on a visit? Why did you leave New York and come to Philadelphia?

Mr. STROMBERG. My wife liked Philadelphia.

Mr. HALLEY. Is she a native of Philadelphia?

Mr. STROMBERG. No. She was an entertainer and she worked around Philadelphia and she liked it.

Mr. HALLEY. When you came here, did you go into any business?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Have you ever had a legitimate business in Philadelphia?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Where did you live in Philadelphia?

Mr. STROMBERG. Oh, I lived in two or three places. One on Forty-eighth and Spruce. I lived in the Rittenhouse Plaza. What is that hotel on Spruce Street?

Mr. GRAY. The Drake.

Mr. STROMBERG. The Drake Hotel.

Mr. HALLEY. Do you know Willie Moretti?

Mr. STROMBERG. Yes; I do.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. Quite a number of years. I don't remember how many, 15 or 16 or 17.

Mr. HALLEY. Do you know Salvatore Moretti?

Mr. STROMBERG. Yes; I do.

Mr. HALLEY. Do you know Anthony Guarini?

Mr. STROMBERG. Who?

Mr. HALLEY. Anthony G-u-a-r-i-n-i.

Mr. STROMBERG. I don't believe I do. I am not sure. Probably if I saw him I probably would know him. But I don't remember the name.

Mr. HALLEY. Were you ever in a restaurant in Lodi, N. J.?

Mr. STROMBERG. Lodi, N. J. No; I was never there.

Mr. HALLEY. Have you ever heard of the restaurant in Lodi, N. J., run by—

Mr. STROMBERG. I don't remember that.

Mr. HALLEY. Guarini?

Mr. STROMBERG. I don't remember that.

Mr. HALLEY. You don't remember whether you ever heard of it?

Mr. STROMBERG. No.

Mr. HALLEY. Were you ever in Saratoga Springs?

Mr. STROMBERG. Years back.

Mr. HALLEY. What is the last time you were in Saratoga?

Mr. STROMBERG. Ten or eleven years ago, twelve years ago.

Mr. HALLEY. Did Hoffman live in the same house you did in Philadelphia?

Mr. STROMBERG. Hoffman?

Mr. HALLEY. Yes, Samuel Hoffman.

Mr. STROMBERG. I don't think so.

Mr. HALLEY. Did Weisberg?

Mr. STROMBERG. Weisberg; no, sir, I don't think he lived in the same house.

Mr. HALLEY. Did Weisberg and Hoffman live in the same apartment?

Mr. STROMBERG. That I don't know.

Mr. HALLEY. You just don't know?

Mr. STROMBERG. I don't know.

Mr. HALLEY. Do you own an automobile?

Mr. STROMBERG. I do not.

Mr. HALLEY. Does your wife?

Mr. STROMBERG. Yes.

Mr. HALLEY. What kind?

Mr. STROMBERG. I am just trying to think. I know it is made by General Motors.

Mr. HALLEY. Chevrolet?

Mr. STROMBERG. No; a bigger car than that.

Mr. HALLEY. Buick?

Mr. STROMBERG. Oldsmobile. Oldsmobile. No; it wasn't an Olds.

Mr. HALLEY. Buick? Pontiac?

Mr. STROMBERG. I think it is an Oldsmobile. I am not sure of that.

Mr. HALLEY. How many does she own?

Mr. STROMBERG. One. It is 4 years old, 3 or 4.

Mr. HALLEY. You refuse to say what your present business is?

Mr. STROMBERG. Yes, sir.

Mr. HALLEY. Do you have any information at all regarding the numbers racket in Philadelphia?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Do you know any members of the Philadelphia police force?

Mr. STROMBERG. Do I?

Mr. HALLEY. Yes; to talk to them.

Mr. STROMBERG. George Richardson, I know, is one.

Mr. HALLEY. How long have you known Richardson?

Mr. STROMBERG. Since 1932, 1933, maybe before then.

Mr. HALLEY. Was that about the time you came to Philadelphia?

Mr. STROMBERG. Yes; about that time.

Mr. HALLEY. Have you ever been to his home?

Mr. STROMBERG. George Richardson's home? No.

Mr. HALLEY. Has he ever been to your home?

Mr. STROMBERG. No.

Mr. HALLEY. Have you ever been in a restaurant with George Richardson?

Mr. STROMBERG. Have I been in a restaurant with George Richardson?

Mr. HALLEY. Yes.

Mr. STROMBERG. Pardon me.

(Witness conferring with counsel.)

Mr. STROMBERG. Yes, I was. Pardon me.

(Witness and counsel conferring.)

Mr. STROMBERG. Yes, I was in a restaurant with George Richardson in New York.

Mr. HALLEY. In New York?

Mr. STROMBERG. Yes.

Mr. HALLEY. What restaurant?

Mr. STROMBERG. That is quite a few years ago. I don't remember.

Mr. HALLEY. Were you his host?

Mr. STROMBERG. If you want to call it that. I met him in New York.

Mr. HALLEY. You took him out?

Mr. STROMBERG. Yes.

Mr. HALLEY. There is nothing to make a big fuss about. I was just trying to find out if you entertained him, in other words, on more than one occasion.

Mr. STROMBERG. I beg your pardon?

Mr. HALLEY. More than one occasion.

Mr. STROMBERG. I don't know. I haven't seen him for the last 8 years. That is too far back to remember.

Mr. HALLEY. Try real hard.

Mr. STROMBERG. Probably on another occasion.

Mr. HALLEY. At least twice you would say?

Mr. STROMBERG. At least twice.

Mr. HALLEY. When he comes to New York does he give you a ring?

Mr. GRAY. Pardon me. You are talking about the present time. He says he hadn't seen him for 8 years.

Mr. HALLEY. I am entitled to ask the question again.

Mr. GRAY. If you are talking about the present time. So he can intelligently answer.

Mr. STROMBERG. I put in there I haven't seen him in the last 8 years. So if you are going to ask me if I saw him previously—

Mr. HALLEY. Up to 8 years ago when he came to New York did you see him and entertain him?

Mr. STROMBERG. Just a couple of times.

Mr. HALLEY. A couple of times. And you have not seen him in 8 years?

Mr. STROMBERG. No.

Mr. HALLEY. Either in Philadelphia or New York?

Mr. STROMBERG. No.

Mr. HALLEY. Have you ever seen Richardson in Atlantic City?

Mr. STROMBERG. I don't believe I did. Maybe years back, but that is a long time ago.

Mr. HALLEY. Do you know any other members of the Philadelphia police force?

Mr. STROMBERG. I have not been here 7 or 8 years. If you mention some names. I have been away.

Mr. HALLEY. Do you know Charles Perkopolup?

Mr. STROMBERG. Yes, I know him from years back.

Mr. HALLEY. How long have you known Perkopolup?

Mr. STROMBERG. I know him as an officer. That is about all.

Mr. HALLEY. Did you ever entertain Perkopolup?

Mr. STROMBERG. No, not that I know of.

Mr. HALLEY. Do you know Vincent Elwell, Captain Elwell?

Mr. STROMBERG. Is he a detective? Are you talking about the police department now?

Mr. HALLEY. Yes.

Mr. STROMBERG. No, outside of hearing his name, outside of knowing him by name only.

Mr. HALLEY. You never——

Mr. STROMBERG. No.

Mr. HALLEY. Spoke to him?

Mr. STROMBERG. No.

Mr. HALLEY. Do you know Luke McBride?

Mr. STROMBERG. Is that another officer of the law, the police department?

Mr. HALLEY. Yes; I am referring to policemen now.

Mr. STROMBERG. Just outside of hearing his name.

Mr. HALLEY. You have never spoken to McBride?

Mr. STROMBERG. I don't believe I did. I am not sure.

Mr. HALLEY. Do you know Inspector John Driscoll, or have you ever known him?

Mr. STROMBERG. I have known Driscoll; yes.

Mr. HALLEY. How well do you know Driscoll?

Mr. STROMBERG. Not well at all.

Mr. HALLEY. Well, enough to talk to him?

Mr. STROMBERG. No.

Mr. HALLEY. Have you never talked to Driscoll?

Mr. STROMBERG. I don't believe I have ever talked to him; no.

Mr. HALLEY. What do you mean when you say you have known Driscoll?

Mr. STROMBERG. I have known him around Philadelphia.

Mr. HALLEY. Did you ever speak to him in all that time?

Mr. STROMBERG. I don't remember.

Mr. HALLEY. Do you know Inspector Ellis?

Mr. STROMBERG. Outside of hearing his name, I don't know him personally.

Mr. HALLEY. Do you know Clarence Ferguson?

Mr. STROMBERG. Yes; I know him.

Mr. HALLEY. Note that Senator Kefauver has left and that the chair has been assumed by Senator O'Connor. I might state that pursuant to a committee resolution duly adopted by this committee a subcommittee of one can be authorized and has been authorized by the chairman.

Mr. GRAY. As long as you have made that statement, in my opinion a quorum is not present in this case unless there are three, and I would like the record to note that as long as you have noted the situation.

Mr. HALLEY. Your opinion has been noted.

(Discussion off the record.)

Senator O'CONOR (presiding). Will you proceed, please, Mr. Halley.

Mr. HALLEY. How well do you know Ferguson, Clarence Ferguson?

Mr. STROMBERG. I don't know him well.

Mr. HALLEY. Do you know him well enough to talk to him?

Mr. STROMBERG. I don't know. I wouldn't say that.

Mr. HALLEY. Have you ever talked to him?

Mr. STROMBERG. Hello or something. Everybody on Broad Street, everybody talks.

Mr. HALLEY. Have you ever entertained him?

Mr. STROMBERG. No.

Mr. HALLEY. Has he ever entertained you?

Mr. STROMBERG. No.

Mr. HALLEY. Has he ever sat down at the same table with you for lunch or for a drink?

Mr. STROMBERG. No.

Mr. HALLEY. Do you know John DeYoung?

Mr. STROMBERG. I think I met him once or twice. I am not sure, I think I met him.

Mr. HALLEY. Who introduced you to him?

Mr. STROMBERG. If I am not mistaken I think it was last year at the Yankee Stadium. I am pretty sure of that.

Mr. HALLEY. Who was he with?

Mr. STROMBERG. He was with his wife and another couple and another fellow that I know from New York.

Mr. HALLEY. Who was the other couple?

Mr. STROMBERG. I don't know.

Mr. HALLEY. Who were the men in the party?

Mr. STROMBERG. I don't know outside of this fellow that introduced me.

Mr. HALLEY. Who introduced you to DeYoung?

Mr. STROMBERG. A friend of mine by the name of Harry—Harry Gold. I am pretty sure that is the first time I met him.

Mr. HALLEY. Where does Gold live?

Mr. STROMBERG. I think he lives in New Jersey now. He used to live in New York.

Mr. HALLEY. Do you know John Hackett?

Mr. STROMBERG. Yes, I know John Hackett.

Mr. HALLEY. How well do you know John Hackett?

Mr. STROMBERG. I know him from years back. He is a detective. I think he stopped me a few times and questioned me a few times on the street.

Mr. HALLEY. Have you ever had any social relationships with Hackett?

Mr. STROMBERG. I don't believe I did.

Mr. HALLEY. Have you ever had any social relationships with anybody except Superintendent Richardson?

Mr. STROMBERG. Well, if you mention some names, if I did I will tell you.

Mr. HALLEY. I am asking you.

Mr. STROMBERG. I don't remember.

Mr. HALLEY. You don't remember any others?

Mr. STROMBERG. No. I went away and have been away from here 8 years now.

Mr. HALLEY. And Richardson is the only one you can remember having had a social relationship with?

Mr. STROMBERG. Richardson is one. There is a few of them who are not on the police force now.

Mr. HALLEY. Whom did you know socially?

Mr. STROMBERG. I knew a few of them.

Mr. HALLEY. Who?

Mr. STROMBERG. I just can't remember names.

Mr. GRAY. He asked you about your knowledge.

Mr. STROMBERG. I can't remember, it is too many years ago.

Mr. HALLEY. You did know at least a few?

Mr. STROMBERG. A few, yes.

Mr. HALLEY. You would entertain them?

Mr. STROMBERG. I wouldn't call it entertaining. If you call taking them to dinner entertainment, yes.

Mr. HALLEY. How many police officers would you say you have entertained?

Mr. STROMBERG. Very few.

Mr. HALLEY. Did you ever make a political contribution?

Mr. STROMBERG. I don't remember if I did or not. I don't think so.

Mr. HALLEY. Have you made any in the last 8 years?

Mr. STROMBERG. I don't remember.

Mr. HALLEY. Did you make any in Philadelphia?

Mr. STROMBERG. I don't remember.

Mr. HALLEY. Did you belong to any political club in Philadelphia?

Mr. STROMBERG. None whatsoever.

Mr. HALLEY. Do you know Marco Reginelli?

Mr. STROMBERG. Yes, I do.

Mr. HALLEY. Have you had any business with him?

Mr. STROMBERG. I never had no business.

Mr. HALLEY. Do you know Frank Palumbo?

Mr. STROMBERG. Yes; I know him.

Mr. HALLEY. Have you had any business with him?

Mr. STROMBERG. Outside of getting tickets for fights. Who do you mean?

Mr. HALLEY. I said Palumbo. You probably thought I meant Palermo.

Mr. STROMBERG. Palumbo. I met him once or twice years ago. Never had any business with him.

Mr. HALLEY. But you do know Palermo?

Mr. STROMBERG. Yes.

Mr. HALLEY. Socially, to go out with him?

Mr. STROMBERG. I wouldn't call it socially.

Mr. HALLEY. Did you go out together sometimes?

Mr. STROMBERG. Once in a great while. He comes to New York for a fight or something.

Mr. HALLEY. Do you know Frank Weiner?

Mr. STROMBERG. Frank Weiner? I don't recollect that name, unless I see him I may know him.

Mr. HALLEY. Do you know Max Tickner?

Mr. STROMBERG. Max Tickner?

Mr. HALLEY. Milky Tickner.

Mr. STROMBERG. Milky. I know him, but just "Hello."

Mr. HALLEY. Do you know James Singleton?

Mr. STROMBERG. James Singleton, only what I read in the papers.

Mr. HALLEY. What do you know about him?

Mr. STROMBERG. That he is wanted by the Federal grand jury.

Mr. HALLEY. You have never seen him in your life?

Mr. STROMBERG. No. If I do, I don't remember, but I don't think I ever met him in my life.

Mr. HALLEY. When you returned to New York, did you go into any business besides the dress business?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. When did you go into the Dearest Miss dress business?

Mr. STROMBERG. About 6 or 7 years ago. I don't know, maybe five. I am not sure.

Mr. HALLEY. You were in New York for about 2 or 3 years before you went into that business?

Mr. STROMBERG. Probably two.

Senator O'CONOR. What was the extent of your interest?

Mr. STROMBERG. I beg your pardon?

Senator O'CONOR. What was the extent of your interest in the Dearest Miss?

Mr. STROMBERG. I don't understand you. I don't follow you.

Mr. GRAY. It was a partnership. How much of an interest did you have in the partnership?

Mr. STROMBERG. The Senator asked me that question. One-third. I didn't understand you. I am sorry. There were three partners.

Mr. GRAY. He wants to know the value. How much investment you have.

Mr. STROMBERG. The value of the stock in the business I think was \$15,000. That is \$5,000 my share.

Senator O'CONOR. Was there any connection between the Dearest Miss and the Jay Lou and Lou Jay?

Mr. STROMBERG. None whatsoever.

Senator O'CONOR. One didn't sell out to the other?

Mr. STROMBERG. No.

Senator O'CONOR. What was the extent of your interest in Jay Lou?

Mr. STROMBERG. One-third.

Senator O'CONOR. And would the value of it be about how much?

Mr. STROMBERG. Probably maybe about \$20,000.

Mr. GRAY. Is that your interest?

Mr. STROMBERG. No, no. One-third, I am talking about. Whatever there is I am talking about the whole.

Senator O'CONOR. The whole would be about \$20,000 of which you would have one-third?

Mr. STROMBERG. That is correct.

Senator O'CONOR. The same about Lou Jay?

Mr. STROMBERG. I am talking about the both of them together, about \$20,000 or \$21,000 or \$22,000.

Senator O'CONOR. What outlets did they have, if any, and where?

Mr. STROMBERG. They are more of contractors. They contract for dresses.

Senator O'CONOR. In what different cities?

Mr. STROMBERG. Just New York City.

Senator O'CONOR. No branch?

Mr. STROMBERG. No, none whatsoever outside of—pardon me, outside of my brother has one in Pennsylvania which has nothing to do with Lou Jay and Jay Lou.

Senator O'CONOR. How about Dearest Miss? Were there any outlets in that company?

Mr. STROMBERG. You mean sending dresses out?

Senator O'CONOR. No, by way of affiliated companies?

Mr. STROMBERG. No, just Dearest Miss only.

Senator O'CONOR. No branches?

Mr. STROMBERG. No branches whatsoever. I just didn't understand you in the beginning, I am sorry.

Mr. HALLEY. Where did you live in New York prior to 1932?

Mr. STROMBERG. In various hotels, but I couldn't remember that.

Mr. HALLEY. In Manhattan or some other borough?

Mr. STROMBERG. In Manhattan.

Mr. HALLEY. Where did you live in New York between the time you came to the country and the time——

Mr. STROMBERG. What is that question?

Mr. HALLEY. As a boy what part of New York did you live in?

Mr. STROMBERG. Lower East Side.

Mr. HALLEY. You never lived in any other borough?

Mr. STROMBERG. No, the same borough. I never lived in any other.

Mr. HALLEY. Always Manhattan?

Mr. STROMBERG. Manhattan.

Mr. HALLEY. Then in 1932 you came to Philadelphia.

Mr. STROMBERG. Yes.

Mr. HALLEY. I think you said you had no legitimate business in Philadelphia, is that right?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Did you have any legitimate business in Philadelphia at any time?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me.

Mr. HALLEY. I ask the chairman to instruct the witness to answer that question.

Senator O'CONNOR. The chairman so instructs the witness.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Did you have any business in Philadelphia that did not involve a violation of any law, State or Federal?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Senator O'CONNOR. The chairman instructs the witness to answer.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. We are getting some information. Do you have that, Mr. Klein?

Are you in frequent communication with Willie Weisberg?

Mr. STROMBERG. What do you mean by frequent?

Mr. HALLEY. Do you see him often?

Mr. STROMBERG. No.

Mr. HALLEY. When did you——

Mr. STROMBERG. Quite often.

Mr. HALLEY. When did you see Weisberg last before coming here to attend this meeting?

Mr. STROMBERG. Atlantic City was the last time I saw him.

Mr. HALLEY. When was that?

Mr. STROMBERG. Approximately 2 months ago, maybe 7 weeks ago, 6 weeks ago. I don't remember.

Mr. HALLEY. In Atlantic City. When did you see him prior to that?

Mr. STROMBERG. Oh, I don't remember. I probably saw him once before that, before Florida. I am not sure. I don't remember.

Mr. HALLEY. Do you speak to him often on the telephone?

Mr. STROMBERG. Quite often, not too often.

Mr. HALLEY. Long distance?

Mr. STROMBERG. I speak to him once in a while.

Mr. HALLEY. Do you have business with him?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Were you in Hot Springs, Ark., this year?

Mr. STROMBERG. This year?

Mr. HALLEY. Yes.

Mr. STROMBERG. I don't believe I was there this year.

Mr. HALLEY. At the Arlington Hotel?

Mr. STROMBERG. This year?

Mr. HALLEY. In 1950.

Mr. STROMBERG. I don't remember. Was it 1949 instead of 1950? I don't remember.

Mr. HALLEY. Were you there in 1949 or 1950?

Mr. STROMBERG. 1949. I might have been there in 1950, too. I just don't remember.

Mr. HALLEY. Do you have any business in Hot Springs?

Mr. STROMBERG. None whatsoever.

Mr. HALLEY. What do you go there for?

Mr. STROMBERG. To take the baths.

Mr. HALLEY. Who did you see when you were in Hot Springs?

Mr. STROMBERG. I will tell you, you see so many people that you don't really remember them because people come from all over the country, from Europe they come there to take the baths.

Mr. HALLEY. Did you see anybody from Chicago there? Were you with anybody when you went there? Did you go alone or with somebody?

Mr. STROMBERG. Willie Weisberg.

Mr. HALLEY. You went with Weisberg?

Mr. STROMBERG. Yes.

Mr. HALLEY. Was Taylor there?

Mr. STROMBERG. No, sir.

Mr. HALLEY. Did you have any meetings with anybody there?

Mr. STROMBERG. Meetings?

Mr. HALLEY. Yes.

Mr. STROMBERG. No, sir.

Mr. HALLEY. Did you see Owney Madden there?

Mr. STROMBERG. Yes. He lives there.

Mr. HALLEY. Did you talk to him?

Mr. STROMBERG. Oh, sure.

Mr. HALLEY. Did you ever have dinner—

Mr. STROMBERG. Pardon me for interrupting. When you asked me about a meeting, an arranged meeting to meet in Hot Springs? Is that what you mean?

Mr. HALLEY. No, no. Sit and talk with people there.

Mr. STROMBERG. You see everybody on the street, the whole town is four blocks square.

Mr. HALLEY. Who did you see? Could you tell us some of your friends you meet there?

Mr. STROMBERG. I don't remember. You see so many people you just go about your business.

Mr. HALLEY. Do you know Abe Glassman?

Mr. STROMBERG. Abe Glassman, yes, I know him.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. I have known him for years. He used to give us all the tickets for fights.

Mr. HALLEY. Do you know Beeny Kay?

Mr. STROMBERG. Yes, I know him.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. For about 10 years, 9 years.

Mr. HALLEY. Do you know Samuel Lit?

Mr. STROMBERG. Yes, I know him.

Mr. HALLEY. How long have you known him?

Mr. STROMBERG. Not well. I would say maybe 15 years.

Mr. HALLEY. Have you ever had any business with Samuel Lit?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Have you ever had any telephone calls to Samuel Lit? Do you have occasion to telephone him?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Do you have any legitimate business with Samuel Lit?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. May I ask the chairman if he will direct the witness to answer those questions?

Senator O'CONOR. Yes; I direct the witness to answer the questions as propounded.

Mr. STROMBERG. May I ask Mr. Gray something first?

(Witness and counsel conferring.)

Mr. STROMBERG. I will answer that question, that I had no legitimate business with Mr. Lit.

Mr. HALLEY. Have you any legitimate business with Frank Palermo?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. And will the chairman direct an answer?

Senator O'CONOR. I direct you to answer.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. I am asking if you had any legitimate business with Frank Palermo.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Why does a question about Palermo trouble you more than the question previously propounded which you answered after a conference with your lawyer?

Mr. STROMBERG. I beg your pardon.

Mr. GRAY. I raise the question, Senator, if you please, that that is not a proper question in this investigation. Of course, I am not before a court, I am not going to make some technical objection with respect to it, but the witness' reason for refusing to answer one question and

for answering another one, and saying he wouldn't answer this one because it would incriminate him, his reason is not a matter for investigation by this committee. If I am wrong I will be glad to be shown that I am wrong.

Senator O'CONOR. I think if the witness elects to stand upon his constitutional rights, whether that point is well taken or not is one question, but if he does answer, of course, the answer speaks for itself. I don't think he need to explain any reason why he refuses to answer if he does so refuse.

Mr. STROMBERG. Thank you.

Mr. HALLEY. Do you know anybody at the Sun Hotel in Chester, Pa.?

Mr. GRAY. Sun Hotel?

Mr. STROMBERG. Yes.

Mr. HALLEY. Who do you know?

Mr. STROMBERG. Samuel Green.

Mr. HALLEY. Who else do you know at the Sun Hotel?

Mr. STROMBERG. The woman who runs the hotel, as Mrs. Klein. I think that is her name. I am not sure.

Mr. HALLEY. In what business is Samuel Green?

Mr. STROMBERG. The only business I know, he owns the hotel.

Mr. HALLEY. Do you know whether there is gambling establishment at the Sun Hotel in Chester, Pa.?

Mr. STROMBERG. Not that I know of.

Mr. HALLEY. Have you ever been in the Sun Hotel in Chester, Pa.?

Mr. STROMBERG. Yes; I have.

Mr. HALLEY. Have you ever seen gambling in the Sun Hotel in Chester, Pa.?

Mr. STROMBERG. I never saw gambling in the Sun Hotel.

Mr. HALLEY. Have you had any business with Little Augie Carfano?

Mr. STROMBERG. Did I have any business with Augie Carfano? No; I had no business with him.

Mr. HALLEY. I note here——

Mr. STROMBERG. Pardon me for interrupting. I am sorry. I might have had some business, maybe 15 or 16 years ago, but I really don't remember.

Mr. HALLEY. Do you know Lillian Carfano, his wife?

Mr. STROMBERG. Yes, sir.

Mr. HALLEY. Have you had any business with her in the last 15 or 16 years?

Mr. STROMBERG. Mrs. Carfano?

Mr. HALLEY. Yes.

Mr. STROMBERG. No.

Mr. HALLEY. Can you account for a telephone call from your home to the home of Lillian Carfano at Long Beach in the year 1948?

Mr. STROMBERG. Personally, myself; no.

Mr. HALLEY. You would not have made it?

Mr. STROMBERG. No.

Mr. HALLEY. Is it possible that your wife might have?

Mr. STROMBERG. Possibly. I might have made it. I am not sure. I am more sure that my wife and Mrs. Carfano were pretty good friends.

Mr. HALLEY. Do you know anybody by the name of Rose who purchased or lived in the Carfano house in Long Beach, N. Y.?

Mr. STROMBERG. I don't remember the name. I don't know.

Mr. HALLEY. Do you know Frank Lavorsi?

Mr. STROMBERG. I don't know. I don't know. If I see him I probably would know him. Offhand I couldn't say that I do.

Mr. HALLEY. Do you know a man named William Giglio, Bill Giglio?

Mr. STROMBERG. If he had a nickname maybe I would know him. I really don't. I am not sure.

Mr. HALLEY. Were you ever in the sugar business?

Mr. STROMBERG. Sugar business? Never in my life.

Mr. HALLEY. What business were you in between 1942 and 1945?

Mr. STROMBERG. I think it was the dress business.

Mr. HALLEY. What business were you in before you went into the dress business?

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Were you in any legitimate business before you went into the dress business?

Mr. STROMBERG. Any what?

Mr. HALLEY. Any legitimate business before you went into the dress business.

Mr. GRAY. The only thing I want to do is to call the Senator's attention to the fact that that has been asked and answered.

Mr. HALLEY. I believe it probably has, but I would like to have the answer again just to make sure it is on the record.

Mr. STROMBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. No further questions. Do you know Frank Sinatra?

Mr. STROMBERG. Outside of seeing him in a cafe in New York; no, I don't.

Mr. HALLEY. Have you ever sat at a table with him in a cafe?

Mr. STROMBERG. With him? No, sir.

Mr. HALLEY. You have never spoken to him?

Mr. STROMBERG. I have had no occasion to talk to him.

Mr. HALLEY. Did you talk to him?

Mr. STROMBERG. I am sorry; no.

Senator O'CONOR. I want to ask you one or two questions. Your name, of course, is given as Harry Stromberg.

Mr. STROMBERG. Yes, sir.

Senator O'CONOR. You also go under the name of Rosen?

Mr. STROMBERG. Pardon me. I don't use the name of Rosen. I use the name of Harry Stromberg.

Senator O'CONOR. I didn't want to imply by that anything of the kind. I just wanted to know if you were known by that name.

Mr. STROMBERG. Yes.

Senator O'CONOR. I want to know whether or not you can give an explanation of why you are known by that name. Is there any family name?

Mr. STROMBERG. No; none whatsoever. Just years back we kids got into some trouble, and I happened to pick that name out.

Senator O'CONOR. I am not interested in that.

Mr. GRAY. We have no objection to it.

Senator O'CONOR. I wanted to get it for purposes of identification.

Mr. STROMBERG. No objection whatsoever.

Senator O'CONOR. It is a nickname?

Mr. STROMBERG. They called me that. In the last 10 years the only ones I hear call me that name is the newspapers.

Senator O'CONOR. It doesn't reflect any discredit at all. I am asking for the fact as to what nickname.

Mr. STROMBERG. They just gave me that name when I was a young boy. I was dark and they called me "Nig." That is perfectly all right.

Senator O'CONOR. It doesn't imply anything one way or the other. I just wanted it for the purpose of identification. That concludes the questioning.

Mr. HALLEY. I have one more question. Do you know William Gersh?

Mr. STROMBERG. I don't believe I do.

Mr. HALLEY. Do you know Lou Wolcher?

Mr. STROMBERG. No, I don't think so. I don't remember the name at all, but if I see him I probably would.

Mr. HALLEY. Gersh edits the Cash Box magazine.

Mr. STROMBERG. No, sir; I don't think I know him.

Mr. HALLEY. The magazine of the slot-machine industry.

Mr. STROMBERG. I don't know him. I don't know him

Mr. HALLEY. You don't?

Mr. STROMBERG. Positive.

Senator O'CONOR. That concludes the questioning.

Mr. GRAY. May he be released from his subpoena? That is perfectly all right because I was going to add, you don't want him of course in the immediate future. Any time that I am advised I will get in touch with him and have him here for you.

Senator O'CONOR. Very good. We will extend you the courtesy if there is anything you desire to say in addition.

Mr. GRAY. I will say a word off the record after he withdraws, if you will allow me to do it. It wouldn't be proper in the way of any bit of testimony.

Senator O'CONOR. I didn't want you to understand you were being called upon to make any explanation, but I wanted to accord you the privilege if you want it.

Before you withdraw, I want to accord another opportunity to have you answer any or all of the questions that were asked of you before and which you declined to answer, and just to ask whether you still stand upon the right of your refusal to answer any and all of those questions.

Mr. STROMBERG. Yes; I stand on my right.

Mr. GRAY. Permit me to ask a question on the record. If I may be furnished, not for any publicity because I never talk to the newspaper fellows or to anybody else as far as that is concerned about any matter that I am interested in as a lawyer, but if I could be furnished with a copy of this, I will, of course, sit down with him and go over it with him and see whether or not I can advise him after I talk to him about it, because there are a lot of these questions I didn't know anything about, and if I think it proper to do so to protect his interests, I will advise him to come in and answer them.

Mr. HALLEY. Mr. Gray, the committee has a general rule of permitting witnesses to obtain a copy of the closed testimony. It so

happens, however, that the testimony is rather expensive, and while we would be willing to lend you a copy to peruse, if you want to buy a copy——

Mr. GRAY. Lend me one, or I will buy a copy and then I will have my own.

Mr. HALLEY. If you want your own you will have to buy one.

Senator O'CONNOR. In the event that is not convenient and you want the committee to lend you one, you are welcome to that.

Mr. GRAY. If it is only a matter of paying the expense, that is all right.

Mr. HALLEY. That is on a confidential basis, of course.

Mr. GRAY. Of course. I give the committee my assurance of that.

I understood Senator Kefauver is going away. When do we meet again?

Mr. HALLEY. Mr. Rosen is not required to remain here in Philadelphia for the committee, and probably will not be called. He is, however, still under subpoena.

Mr. GRAY. We recognize that. He wants to know whether he can go away for a couple of weeks as far as this committee is concerned.

Mr. HALLEY. So long as we are able to call him back.

(Discussion off the record.)

(Whereupon, at 5 p. m. the committee recessed until 9:30 a. m. the following day.)

INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

SATURDAY, OCTOBER 14, 1950

UNITED STATES SENATE,
SPECIAL COMMITTEE TO INVESTIGATE
ORGANIZED CRIME IN INTERSTATE COMMERCE,
Philadelphia, Pa.

EXECUTIVE SESSION

The committee met, pursuant to recess, at 9:40 a. m., in courtroom No. 1, United States Courthouse, Ninth and Market Streets, Philadelphia, Pa., Senator Estes Kefauver, chairman of the committee, and Senator Herbert R. O'Connor, presiding.

Present: Senators Kefauver and O'Connor.

Also present: Rudolph Halley, chief counsel; Alfred M. Klein and Downey Rice, assistant counsel; John N. McCormick, George H. Martin, and Martin F. Fay, investigators.

Joseph M. Bransky, district supervisor, Bureau of Narcotics, Treasury Department, Philadelphia, Pa.

Senator O'CONNOR. The committee will be in order.

It is customary here, Mr. Wiener, to swear all witnesses.

In the presence of Almighty God, do you swear that the evidence you will give in this matter shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WIENER. I do.

TESTIMONY OF FRANK WIENER, PHILADELPHIA, PA., FORMER CHAIRMAN OF STATE ATHLETIC COMMISSION

Mr. WIENER. My name is Frank Wiener, 1530 Locust Street, Philadelphia.

Mr. KLEIN. Mr. Wiener, you were a member of the State Athletic Commission of Pennsylvania?

Mr. WIENER. Yes; I was its chairman from 1926 to 1932. That is some time ago.

Mr. KLEIN. As such commissioner, you had charge of boxing activities in Pennsylvania?

Mr. WIENER. That is true.

Mr. KLEIN. The licensing of boxers and managers?

Mr. WIENER. That is true.

Mr. KLEIN. Do you know Herman Taylor?

Mr. WIENER. Yes.

Mr. KLEIN. What was his business during the time that you were chairman of the commission?

Mr. WIENER. He was promoter of boxing at the arena and in several of the ball parks during the summer.

Mr. KLEIN. Did he have any other business?

Mr. WIENER. Not that I know of.

Mr. KLEIN. Do you know Frank Palermo?

Mr. WIENER. I know who he is. I wouldn't know him if he walked in here.

Mr. KLEIN. Do you know his general reputation?

Mr. WIENER. Only what I have read.

Mr. KLEIN. Do you know Frank Palumbo?

Mr. WIENER. Yes; I do.

Mr. KLEIN. Do you know what his business is?

Mr. WIENER. He is in the restaurant business, the automobile business. He has taken out a license. I read, for promoting boxing, but from what I understood, he was more or less doing it for charity, he wasn't doing it as a living.

Mr. KLEIN. Can you tell the committee whether prize fights were honestly conducted in Philadelphia?

Mr. WIENER. During my time?

Mr. KLEIN. During your time.

Mr. WIENER. I hope they were. I did my best. Of course, I suppose that there were some fights put over on me that were not honest.

Mr. KLEIN. Can you tell us whether Herman Taylor had any connection with those fights?

Mr. WIENER. He was the promoter. I don't know that he was the fixer, but he was the promoter of several fights I have in mind.

Mr. KLEIN. Could a prize fight be fixed without the promoter having some knowledge of it?

Mr. WIENER. Oh, sure.

Mr. KLEIN. You told us in discussion that you knew of several fights that were definitely fixed. Can you tell the committee what they were?

Mr. WIENER. Well, I know one fight that was here that I got wind of, Ace Clark fought Carnera. I got wind that Ace Clark was to take a dive, as they call it, in the third round. I sent for Ace Clark that day before the fight, and I said, "Listen here, Ace, I understand that you are supposed to take a dive in this fight. If you do, you are never going to fight here again; and if you put up a good fight, I am going to give you \$100 out of my own pocket, in addition to your purse. I want this fight to go, and I want it to be a good fight."

So the night of the fight, I was at the ringside, and it was a good fight. In the third round he didn't go down, and he put up a great fight. In the sixth round he put an eye on Carnera the likes of which I have never seen before. I called the doctor over, and I said, "You get into this ring and look at that eye and see if the fight should continue." He got in the ring, and went over and looked at Carnera's eye, and he walked back to me and said, "It is O. K."

In the next round, before it was 30 seconds old, Ace Clark went down, and they counted him out.

From what I found out sometime later, there was a character around here by the name of Sartos Freedman, who walked over into Ace's corner and threatened him with a gun if he didn't go down in that round, and he went down. He put up a great fight. He tried—if there is such

a thing as a doublecross—to doublecross them, because I understood he was to go down in the third round.

Mr. HALLEY. Did you ever find out who put Freedman up to threatening Clark?

Mr. WIENER. No; I never found out definitely, but I have an idea who it was.

Mr. KLEIN. Who do you suppose it was?

Mr. WIENER. I think it was Boo Boo Hoff.

Mr. KLEIN. Who was he?

Mr. WIENER. He was the manager of Ace Clark, and a character.

Mr. KLEIN. When you say "character," you mean a police character?

Mr. WIENER. Yes.

Mr. KLEIN. Do you know whether Boo Boo Hoff was associated with Herman Taylor?

Mr. WIENER. No. They were bitter enemies.

Mr. KLEIN. You said you knew Frank Palermo by reputation?

Mr. WIENER. Palermo?

Mr. KLEIN. Yes.

Mr. WIENER. Just recently. Palermo, in my time, wasn't in the boxing game. It has been only recently that I even heard of him. I would say a year or two.

Mr. KLEIN. Do you know that Palermo holds a manager's license?

Mr. WIENER. He holds a manager's license; yes.

Mr. KLEIN. Did you have occasion to talk to Governor Duff of Pennsylvania about Palermo?

Mr. WIENER. No; I didn't talk to him. I just met him. He asked me what I thought of the coming election. I happened to be reading the Enquirer down at Atlantic City at this time that Palermo was arrested. I said to him, "You didn't help it any with this pardoning Palermo." I said, "Look at this. This is going to stir something up." He said, "I didn't pardon him. The pardon board did." That was more or less said facetiously. I wasn't serious with Duff. He asked me what I thought of the coming election, and I told him.

Senator O'Connor. When was this?

Mr. WIENER. That was the night this thing happened. It was late Sunday night at Atlantic City. I met him on the boardwalk.

Mr. KLEIN. Would you say it was about August 12 or 13, 1950?

Mr. WIENER. Somewhere around there, during the summer.

Mr. KLEIN. Did you ever have occasion to call Governor Duff in Harrisburg?

Mr. WIENER. No; I didn't.

Mr. KLEIN. About Palermo?

Mr. WIENER. No, I didn't call Duff; no.

Mr. KLEIN. Who did you call in Harrisburg?

Mr. WIENER. You know, I am a Republican. I thought it would be a good idea and it would help Governor Duff's campaign if he would call up the boxing commission. I know if I had been boxing commissioner at the time and I wanted to help the Governor, I would have said, "Here, you give some orders to me to throw these racketeers out of the boxing game before somebody says that you are back of them." Do you understand what I mean?

Mr. KLEIN. I understand.

Mr. WIENER. I think it would have been good policy for him to call up the boxing commission and say, "Here, I don't want Palermo and

that type of fellow having licenses in Pennsylvania, and I want you to get rid of them."

Mr. KLEIN. That was after Palermo was involved in a shooting scrape?

Mr. WIENER. That is right.

Mr. KLEIN. What did you do?

Mr. WIENER. I talk too much. Maybe that is the reason I did.

Mr. KLEIN. What did you do?

Mr. WIENER. I called his secretary and I said, "If I was boxing commissioner today, that is what I would advise the Governor to do."

Mr. KLEIN. You called up the Governor's secretary?

Mr. WIENER. That is right.

Mr. KLEIN. Mr. Weimar?

Mr. WIENER. Yes. I don't think I got Weimar. What is his other secretary's name?

Mr. KLEIN. I don't know.

Mr. WIENER. He has another secretary.

Mr. KLEIN. But you did call the Governor's office?

Mr. WIENER. Yes.

Mr. KLEIN. You called, of course, as a citizen——

Mr. WIENER. That is right.

Mr. KLEIN. Who is interested in the boxing business?

Mr. WIENER. That is right.

Mr. KLEIN. It is your feeling that there are racketeers in the boxing business?

Mr. WIENER. Oh, there is no doubt about it.

Senator O'CONOR. Just what information do you have on that, in addition to what you have already given?

Mr. WIENER. What information on which?

Senator O'CONOR. As to the fact that there are racketeers in the boxing game.

Mr. WIENER. I know a lot of men who are in the boxing game that are reputed to be racketeers. I have never seen them do what they claim to do. I have never seen what they do. But I know, for instance, Joe Louis' managers, Roxboro and Brown, were reputed to be the big numbers writers in Detroit. Now his trainer, who is now dead, was a man named Jack Blackburn, who served 20 years in Philadelphia Penitentiary or Eastern Penitentiary for murder.

You take other fighters have managers—would you like me to tell you why these fellows are managers of fighters? It is an interesting thing. I told it to Mr. Klein.

Senator O'CONOR. I don't know that it is pertinent to go into the past history of it. I would rather, if you could, that you confine yourself to your knowledge of the existing of the racketeering element in the boxing game here, if you know of any specific information.

Mr. WIENER. At the present time, I don't know, but during the prohibition days——

Senator O'CONOR. That is going back pretty far.

Mr. WIENER. That is what started them in there. There never were racketeers in the boxing game until then.

Senator O'CONOR. Have they had any hold on the game or any influence in it recently?

Mr. WIENER. I believe it is for the same reason, sir.

Senator O'CONOR. Recently?

Mr. WIENER. I believe it covers up a lot of their illegal racketeering. The boxing game is a cover for a lot of that stuff, in this way—

Senator O'CONOR. Before you go into detail, what information do you have? Who do you think is involved, or in the recent past has been involved, here in Philadelphia in the boxing game, of that racketeering element?

Mr. WIENER. You see, I have been out of it so long, and I have followed it only through the papers. In fact, I haven't even gone to a boxing match for so long, because I am disgusted with the manner in which it is conducted.

Senator O'CONOR. You have been out of it 18 years?

Mr. WIENER. 1932 was when I was out, but I have followed it and watched it. I know just what is the matter with it, and I know how the Federal Government could help it, if they wanted to.

Senator O'CONOR. When was the Ace Clark-Carnera fight?

Mr. WIENER. That was about 1928 or 1929, somewhere around there. They had another fight, the same fellows, Carnera and George Godfrey, here in Philadelphia.

Senator O'CONOR. When was that?

Mr. WIENER. That was in 1929 or 1930.

Senator O'CONOR. You haven't any information more recently?

Mr. WIENER. I know the racketeers were back there, because they threatened me because I suspended Carnera and said he would never fight in Philadelphia again. Fellows like Duffey and Owney Madden, and those fellows from New York who were managers of Carnera, did everything they could to me to try to make me reinstate him, and I told them he would never be reinstated as long as I was on the commission; and he never was.

Senator O'CONOR. You cannot give the committee any more recent information than 18 years ago?

Mr. WIENER. I have been out of it that long, and all I know is what I have followed, but the Federal Government could help themselves if they wanted to, to stop this.

For instance, I will show you—all right, if you don't want to know it.

Senator O'CONOR. We want to know anything you have of recent past, but I am questioning whether we want to go back 20 years.

Mr. WIENER. This is a present thing. This happened only 2 weeks ago.

Senator O'CONOR. Tell us what happened 2 weeks ago.

Mr. WIENER. It happens all the time. Where a champion is going to fight—

Senator O'CONOR. What happened 2 weeks ago?

Mr. WIENER. Maybe 2 or 3 weeks ago. Ezzard Charles and Joe Louis. Take that fight.

Senator O'CONOR. What do you know about that? What do you know, now?

Mr. WIENER. I am telling you what I know, what I read in the papers, that if Louis had won that fight he couldn't fight anybody else but Ezzard Charles within 60 days of the date. He had to fight him within 60 days of that date. Those contracts are made at the insistence of these managers. Do you think that is right? Doesn't it give the fighters and the managers an opportunity to perpetrate fraud

on the public when a man knows if he loses he will get another chance to win?

Senator O'CONOR. You know nothing as to the conduct of the fight itself?

Mr. WIENER. No; but I know in a lot of cases where a champion has lost his first bout he has come back on account of that contract and may win it back again.

Senator O'CONOR. You are criticizing the contractual set-up?

Mr. WIENER. No; it is not the contractual set-up. It is the authorities, the boxing commissions, allowing men to perpetrate fraud on the public or giving them an opportunity to do that.

Senator O'CONOR. Through the requirement—

Mr. WIENER. I think there should be a law—and it would be a very popular law if the Federal Government would make a law—that no contract like that could be made.

(Discussion off the record.)

Mr. HALLEY. As counsel for the committee, it seems to me that the matter you are telling us about now is appropriate for a memorandum, but should not be made a part of our record here in Philadelphia. This is strictly a legal view on what is appropriate to get into our record. You have an opinion on that, and we would like to have your written letter or statement so that the committee can consider it; but under oath, for sworn testimony, we need factual data rather than opinion. I would suggest to the committee that the witness be excused and asked to give the committee the benefit of his observations in a memorandum.

Senator O'CONOR. I think Mr. Halley's suggestion is an excellent one.

Mr. KLEIN. I will communicate with you.

Senator O'CONOR. From the abundance of his background the information might be very valuable in our study.

Mr. WIENER. I will write to you how you can overcome a lot of this racketeering in Philadelphia.

Mr. HALLEY. Thank you very much, Mr. Wiener.

Senator O'CONOR. We are very much obliged to you.

Mr. WIENER. I am sorry I couldn't help you any more.

Senator O'CONOR. You have been very willing. Thank you ever so much.

Mr. Weisberg, it is customary for all witnesses to be sworn. Will you raise your right hand?

In the presence of Almighty God, do you swear the evidence you will give in this matter pending before the committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WEISBERG. Yes, sir.

Mr. GRAY. I desire, in the first place, if the committee pleases, to place upon the record an objection by reason of the fact that there is not a quorum of the committee.

I desire, in the second place, if the committee pleases, to claim such immunity as this witness may be entitled to under the laws of the United States.

Senator O'CONOR. Mr. Gray, your statements are noted and will be, of course, incorporated in the record.

**TESTIMONY OF WILLIAM N. WEISBERG, PHILADELPHIA, PA.,
ACCOMPANIED BY WILLIAM A. GRAY, ATTORNEY, PHILADEL-
PHIA, PA.**

Senator O'CONOR. Will you state your full name, please?

Mr. WEISBERG. William N. Weisberg.

Senator O'CONOR. Your address?

Mr. WEISBERG. Wyngate Hall.

Senator O'CONOR. Mr. Gray, so we may have, as a matter of record, the representation, and, of course, your presence.

Mr. GRAY. You have my name and address, and I represent Mr. Weisberg.

Senator O'CONOR. Thank you, indeed.

Counsel, will you proceed?

Mr. HALLEY. May I state for the record that this subcommittee is duly authorized by virtue of a proper resolution of this committee, and is a duly constituted subcommittee, and that a quorum does exist pursuant to such resolution.

Mr. GRAY. Of course, your record. Mr. Halley, will show who is here from the committee, will it not?

Mr. HALLEY. Yes; of course.

Mr. WEISBERG, what is your address?

Mr. WEISBERG. Wyngate Hall, Fiftieth and Spruce Street.

Mr. HALLEY. Do you have any business?

Mr. WEISBERG. No, sir.

Mr. HALLEY. When did you last have a business?

Mr. WEISBERG. About 7 or 8 years ago.

Mr. HALLEY. What business was that?

Mr. WEISBERG. Credit clothing.

Mr. HALLEY. Was that in Wilmington, Del.?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How long were you in the credit clothing business?

Mr. WEISBERG. About 4 or 5 years.

Mr. HALLEY. You sold that business?

Mr. WEISBERG. No. It was a little failure, and we gave it over to the manager.

Mr. HALLEY. Who were your partners in that business?

Mr. WEISBERG. Harry Stromberg.

Mr. HALLEY. Anyone else?

Mr. WEISBERG. No, sir. The manager had a small part of it.

Mr. HALLEY. Since then you have done nothing to earn a living at all?

Mr. WEISBERG. I refuse to answer that question on the grounds it may incriminate me of a Federal offense.

Mr. HALLEY. Where were you born?

Mr. WEISBERG. Russia.

Mr. HALLEY. When?

Mr. WEISBERG. 1898.

Mr. HALLEY. And when did you come to this country?

Mr. WEISBERG. When I was 6 months old.

Mr. HALLEY. You were brought by your parents?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. To what city in the United States were you brought?

Mr. WEISBERG. Philadelphia, to the best of my knowledge.

Mr. HALLEY. You have grown up and lived here ever since?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. Have you ever lived in any other city as a resident?

Mr. WEISBERG. No; no resident. For a month or two.

Mr. HALLEY. But your residence has remained in Philadelphia throughout that period?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. In what other cities have you lived even briefly?

Mr. WEISBERG. For a short time? For a month or 2 months?

Mr. HALLEY. Yes.

Mr. WEISBERG. Miami, Fla.

Mr. HALLEY. Any place else?

Mr. WEISBERG. No, sir.

You don't mind my moving around; I am a little nervous.

Mr. HALLEY. Are you a citizen?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. When did you become a citizen?

Mr. WEISBERG. I believe my father became a citizen in 1914. Through him, I became a citizen.

Mr. HALLEY. Have you ever been convicted of a crime?

Mr. WEISBERG. I will put it this way: In 1932, I was arrested. I was not sent to prison. I don't know whether it is a conviction or not.

Mr. HALLEY. That was for violation of the Firearms Act in a hold-up?

Mr. WEISBERG. No, sir; no hold-up.

Mr. HALLEY. The record shows a hold-up.

Mr. WEISBERG. No, sir.

Mr. HALLEY. Is that wrong?

Mr. WEISBERG. That is wrong. I was riding in an automobile with some people. It was a borrowed automobile. They picked me up, and as I got near a hotel the police stopped us. They dug out from some place, with nails and a hammer, a pistol.

Mr. HALLEY. You pleaded nolo contendere, didn't you?

Mr. WEISBERG. That is right.

Mr. HALLEY. You were duly adjudged guilty and put on probation for 3 years by Judge McDevitt; is that right?

Mr. WEISBERG. I think that is right.

Mr. HALLEY. Were you ever convicted on any other occasion?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever been arrested on any other occasion?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. You were first arrested in 1917 for larceny of an automobile; is that right?

Mr. WEISBERG. I think that is right, sir.

That was in 1913, I believe.

Mr. HALLEY. 1913?

Mr. WEISBERG. 1912 or 1913. I was a juvenile, I believe.

Mr. HALLEY. Were you arrested on any occasion in 1917?

Mr. WEISBERG. 1917? I don't remember.

Mr. HALLEY. Did you serve in the First World War?

Mr. WEISBERG. No, sir.

Mr. HALLEY. In 1934 you were arrested for being a suspicious character; is that correct?

Mr. WEISBERG. I guess that is right if they have it there. I was arrested here 30 or 40 times for nothing.

Mr. HALLEY. Were you ever arrested for setting up and maintaining an illegal lottery?

Mr. WEISBERG. No, sir; not to my knowledge.

Mr. HALLEY. And found not guilty and discharged by the same Judge McDevitt again in 1935?

Mr. WEISBERG. No, sir; not to my knowledge.

Mr. HALLEY. The record shows that you were arrested in 1935 for setting up and maintaining an illegal lottery and conspiracy and that in 1936 on that charge you were found not guilty and discharged by Judge McDevitt. Do you recall that?

Mr. WEISBERG. No, sir; I do not.

Mr. HALLEY. In 1936 you were picked up as a suspicious character?

Mr. WEISBERG. It could be.

Mr. HALLEY. You say you were picked up on suspicion a great many times?

Mr. WEISBERG. Yes; any number of times, and many times not slated.

Mr. HALLEY. You were investigated for violation of the Selective Service Act in 1946; is that right?

Mr. WEISBERG. That is not true.

Mr. HALLEY. That is not true?

Mr. WEISBERG. That is not true. I can explain that.

Mr. HALLEY. Would you?

Mr. WEISBERG. Yes. I will explain it this way: In one of these arrests they took me before a judge in the morning, and there was no charge against me. The magistrate left me out. One of the police officials sent for a Government man, an agent, and he questioned me on the outside for about 10 minutes. Of course, he asked me for my card and let me go.

Mr. HALLEY. On this last occasion were you with Magistrate O'Malley?

Mr. WEISBERG. No, sir. The occasion I am speaking of, if my memory serves me right, it was Magistrate Biefeld.

Mr. GRAY. I will give you the spelling. It is Biefeld, B-i-e-f-e-l-d.

Mr. HALLEY. What are the circumstances that you can tell the committee that led to your being picked up so often by the Philadelphia police?

Mr. WEISBERG. The only way I can explain it, gentlemen, is strictly personal hate. That is the best of my ability.

Mr. HALLEY. Are they trying to make you uncomfortable; is that the point?

Mr. WEISBERG. Not trying. They have made me uncomfortable for 10 years.

Mr. HALLEY. But you haven't felt a desire to leave Philadelphia, despite that?

Mr. WEISBERG. I was born and raised here, and through the efforts—

Mr. GRAY. You were born in Russia.

Mr. WEISBERG. Yes; I was born in Russia.

Through the efforts of my attorney, Mr. Gray, he kept me in the city of Philadelphia. Every other week—

MR. GRAY. You have a right to explain it to the committee, if you want to, in more detail.

MR. HALLEY. Go right ahead.

MR. WEISBERG. I couldn't walk into a restaurant in the city of Philadelphia in the last 10 years unless there was some police officer there to call city hall either to chase me out or to harass me, to insult my Mrs. They sent my Mrs. to the hospital on several occasions on account of her nervousness.

They wouldn't take me in. On several occasions they hit me, and of course, would never arrest me.

I came to my attorney and explained, and he asked me to have them arrested.

MR. GRAY. You mean I asked them to have you arrested if they had anything against you.

MR. WEISBERG. That is right, I am sorry. Of course, I didn't do it.

MR. HALLEY. Who in the police department has had a grievance against you, Mr. Weisberg?

MR. GRAY. Go ahead and name them.

MR. WEISBERG. Detective Jerry Foley and Superintendent Richardson. They are the only two who ever bothered me.

MR. HALLEY. Have you ever had any arguments with them that might have led to that?

MR. WEISBERG. No, sir; never.

MR. HALLEY. What would you give as the reason why they would bother you?

MR. WEISBERG. If I may say this, they were using a smoke screen for themselves and using me. That is the best thing I can say.

MR. HALLEY. Could you elaborate on that a bit?

MR. WEISBERG. Evidently to cover themselves up. Any time anything would happen around here they would blame me for it. I spent very little time around here.

MR. HALLEY. We gather from Richardson that there must be some lotteries operating—

MR. WEISBERG. I want you to know, gentlemen, I am not here—from what I read in the paper, he has a job to do, and he is doing it. Whether he is doing it well or not, I don't know, but I know I suffered for it for 10 years. Whatever went on around here, "he was the gang leader, he was the gangster, he was everything around here, he and his mob."

As far as I am concerned, I haven't been here for 10 years. That goes for Stromberg, 8 or 10 years, too.

Why he says that, I don't know.

MR. HALLEY. Do you think he is trying to cover up some other people?

MR. WEISBERG. Yes; I do.

MR. HALLEY. Who do you think he is trying to cover up?

MR. WEISBERG. I wouldn't know. I haven't been around here. He must have some method in doing it. I don't know why he does it.

MR. HALLEY. Why do you think he is trying to cover anyone else up? We ought to get to the bottom of this. It is important.

MR. WEISBERG. I am going to tell you everything. I am going to cooperate with you to the best of my knowledge.

MR. HALLEY. Why don't you try to tell me in your own way?

MR. WEISBERG. I will. I will tell you like I told you before.

I was persecuted around here. Maybe I shouldn't use that word. Maybe I am police property. Like I said before, I couldn't stick my head out the window unless someone was there to molest me or harass me. I couldn't take my wife to a moving picture. On two or three occasions they threw me out of restaurants and took me into city hall downstairs, and questioned me two or three—not questioned me, but walk in and curse me, and wouldn't let me call my attorney on many occasions, which I can prove. That is how it went on.

One day I visited Mr. Herman Taylor in his office—and Mr. Gray's office is about three buildings away—about 5:30 in the afternoon, and Mr. Richardson had 20 detectives downstairs, and had them on all floors. I couldn't leave the building. I was going to leave. So Mr. Taylor advised me to call my attorney.

As it happened, Mr. Gray had a meeting in his office, and I caught him in his office, and I said, "Bill, I am in Herman's office. We are here alone. We are ready to go out and have dinner, and there are 50 detectives downstairs. They are going to knock my brains out."

He said, "Don't you leave the building until I arrive." Mr. Gray is sitting right here. When he walked me out, they fell in holes.

Mr. GRAY. He is expressing it in his own way.

Mr. WEISBERG. That is the only way I can express it.

Mr. GRAY. Go ahead.

Mr. WEISBERG. I jumped in an automobile I had, was driving, and drove Mr. Gray home, and then Mr. O'Malley took me home, drove it until I got in the house.

Is that the truth, Mr. Gray?

Mr. GRAY. That is all right. I can't testify.

Mr. WEISBERG. Excuse me.

I am not here to prosecute nobody. You asked me a question, and I am telling you.

Mr. HALLEY. Who is Jerry Foley?

Mr. WEISBERG. Detective.

Mr. HALLEY. Does he work for Richardson?

Mr. WEISBERG. To the best of my knowledge, he does.

Mr. HALLEY. In what capacity?

Mr. WEISBERG. That I wouldn't know. I am not that familiar with it.

Mr. HALLEY. Do they have the job——

Mr. GRAY. May I clarify it for you? I mean, to say he is a detective——

Mr. HALLEY. I have a pretty fair idea of it. I am trying to get Mr. Weisberg's thoughts——

Mr. GRAY. Excuse me, I am sorry.

Mr. HALLEY. Rather than clarification otherwise. Thank you, though.

Mr. Weisberg, do Richardson and Foley have the job of finding the people who are responsible for the policy number racket in this city?

Mr. WEISBERG. I don't know what positions. I know they are police officials. One is a superintendent; the other is a detective.

Mr. HALLEY. You said they were trying to cover themselves up. There must be something they are trying to cover up. What is there they have to cover?

Mr. WEISBERG. That I wouldn't know. They are doing this to me for some reason. Any time anything would happen around this city, Mr. Halley, it would be William Weisberg; and I wasn't in the city. The newspapers would come out with it. "Willie Weisberg this, and Willie Weisberg that," and I wasn't even in the city. I was out of town.

Mr. HALLEY. Are they trying to cover up Buck Myer, perhaps?

Mr. WEISBERG. I don't know.

Mr. HALLEY. Who is Buck Myer?

Mr. WEISBERG. I know the gentleman.

Mr. HALLEY. How long have you known him?

Mr. WEISBERG. About 20 years. It is Buck Mayer. M-a-y-e-r. You don't mind my correcting you?

Mr. HALLEY. No; I appreciate that.

What is Mayer's relationship with Richardson?

Mr. WEISBERG. That I don't know. He is very close to him. That I can say.

Mr. HALLEY. Does Mayer work for the police department?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You say he is very close to Richardson?

Mr. WEISBERG. Very close.

Mr. HALLEY. Have you seen them together?

Mr. WEISBERG. I can't remember that, sir.

Mr. HALLEY. What makes you say he is close to him?

Mr. WEISBERG. The reason I say that is from talk that I hear. That is the only way I can explain it.

Mr. HALLEY. You mean your understanding is that there is some close relationship between Richardson and Mayer; is that right?

Mr. WEISBERG. That is right.

Excuse me a minute. Do you mind my interrupting you?

Mr. HALLEY. No. Go ahead.

Mr. WEISBERG. You fellows have good investigators; you know the name, Buck Mayer. Go and investigate it. It won't be hard to find out. I am not trying to tell you what to do. I can't go under oath and say, because I haven't been around here. I have had nothing to do around here for the last 10 years.

Mr. HALLEY. What is the talk about Richardson and Mayer?

Mr. WEISBERG. That they are very close; that they are together quite often. That is all I can say. I can't say anything else.

Mr. HALLEY. Do they have financial dealings, according to the talk?

Mr. WEISBERG. I can't go on record to say that. I would be telling a lie if I say they have financial dealings, only from hearsay that they are very, very close.

Mr. HALLEY. Have you heard rumors that they have financial dealings?

Mr. WEISBERG. No; I haven't. I can't say that. The reason I can't say it is that I can't prove it.

Mr. HALLEY. But you believe it, obviously.

Mr. WEISBERG. Yes; I do.

Mr. HALLEY. What is Mayer's business?

Mr. WEISBERG. To my knowledge, nothing.

Mr. HALLEY. Is he rumored to have something to do with the numbers business?

Mr. WEISBERG. I don't think so.

Mr. HALLEY. Or with gambling?

Mr. WEISBERG. I don't think so. I have never known him to be in the gambling business.

Mr. HALLEY. But he has nothing else—

Mr. WEISBERG. The last I heard of Buck Mayer, he had a saloon, a club, that you could visit at late hours, at Fifty-second and Sansom Streets.

Mr. HALLEY. Does he know a lot of people in the gambling business?

Mr. WEISBERG. An awful lot, an awful lot. The majority of people in the gambling business in Philadelphia, Buck Mayer does know.

Mr. HALLEY. Do they visit him in his club?

Mr. WEISBERG. That I don't know.

Mr. HALLEY. Or does he contact them on the streets and in other places?

Mr. WEISBERG. I don't know where he contacts them.

Mr. HALLEY. But he sees them regularly, is that the idea?

Mr. WEISBERG. I think so.

Mr. HALLEY. Does he generally report back to Richardson after he sees them?

Mr. WEISBERG. That I don't know. Like I told you before, Mr. Halley, I am out of town, and I am just giving you what I heard.

Mr. HALLEY. How long have you known Mr. Stromberg?

Mr. WEISBERG. Twenty years, I think.

Mr. HALLEY. How did you first happen to meet him?

Mr. WEISBERG. I met Mr. Stromberg, I believe, in Atlantic City when he first got married.

Mr. HALLEY. When was that?

Mr. WEISBERG. I think in 1931. His wife was an entertainer in a club, and I knew his wife before I knew him. I believe that is the first time I ever met him.

Mr. HALLEY. I believe he testified—and Mr. Gray was here, so if I state anything wrong he will pounce right on me—I believe he testified that he came to Philadelphia because his wife liked to live here, and suggested it was a nice city to live in.

Mr. WEISBERG. You asked me when I met him, and I explained to you, Mr. Halley, I believe the first time—

Mr. HALLEY. I am just trying to get the picture.

Mr. WEISBERG. The first time I remember meeting Mr. Stromberg was in Atlantic City through his wife, who was working in a cafe.

Mr. HALLEY. She is a Philadelphia girl?

Mr. WEISBERG. No.

Mr. HALLEY. I see.

Mr. WEISBERG. His wife, I believe, comes from around Linden, N. J., some small town in New Jersey.

Mr. HALLEY. In those days, what was your business?

Mr. WEISBERG. In those days?

Mr. HALLEY. In 1931.

Mr. WEISBERG. I refuse to answer on the grounds it may incriminate me of a Federal offense.

Mr. HALLEY. We went through this yesterday with Mr. Stromberg, and finally he did answer, I believe, on advice of counsel. I limited the question specifically to what was his business before 1932,

bearing in mind that any offense committed in 1932 could not be prosecuted today because of the statute of limitations.

Mr. WEISBERG. Will that go on record?

Mr. GRAY. Just a moment. I believe that Mr. Stromberg—and, of course, the record will show what the situation is—even refused to answer that question about his business.

Mr. HALLEY. You then advised him to answer, and he admitted he was in the liquor business and violated the Prohibition Act.

Mr. GRAY. You are right about that. He admitted he was; I think he did, but I am not quite sure.

Mr. HALLEY. The question was: "Were you a bootlegger in prohibition days?"

Mr. GRAY. I think he did answer that. If you want to put that direct question to Mr. Weisberg, I would advise him to answer.

Mr. HALLEY. Were you a bootlegger during prohibition days before 1933?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you have any connection with the liquor business before 1933?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Were you in the gambling business before 1933?

Mr. WEISBERG. I refuse to answer on the grounds it may incriminate me of a Federal offense.

Mr. HALLEY. For the same reason, I ask the committee to direct an answer to that question; the reason being, naturally, that the statute of limitations must obviously have expired on any offense before 1933.

Senator O'CONOR. Yes; as acting chairman, I do instruct the witness to answer.

Mr. WEISBERG. I refuse to answer on the grounds it may incriminate me of a Federal offense.

Mr. HALLEY. May the record show that the witness has been instructed to answer by the chairman.

Mr. GRAY. The record will show it, I take it, because the Senator did instruct him.

Mr. HALLEY. You and Harry Stromberg became very good friends; is that right?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. You went into business together in what year?

Mr. WEISBERG. I believe it was 1940.

Mr. HALLEY. In—

Mr. WEISBERG. In Wilmington, Del.

Mr. HALLEY. And remained in that business for about 2 years?

Mr. WEISBERG. He remained in the business for about 2 years, a little over 2 years, I believe, and the money ran out, and both of us and the manager paid some of the bills, not quite all the bills, and he left. He went to New York.

Senator O'CONOR. Under what name did the business operate?

Mr. WEISBERG. Martin's Clothing, Inc.

Senator O'CONOR. In Wilmington?

Mr. WEISBERG. That is right.

Senator O'CONOR. Were there any other branches or outlets in other cities?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you had any other legitimate business at all at any time?

Mr. WEISBERG. Years back, I sold jewelry and tried to make a living the best I could.

Mr. HALLEY. In what period?

Mr. WEISBERG. 1923, 1924; drove a taxicab.

Mr. HALLEY. Did you have a taxi job?

Mr. WEISBERG. Yes.

Mr. HALLEY. Up to what year were you engaged in those pursuits?

Mr. WEISBERG. Say that again.

Mr. HALLEY. Up to what year were you engaged in those occupations?

Mr. WEISBERG. Occupations? I drove a cab, I believe, in 1921; from 1921 to 1922, I believe, I drove a cab; and from 1922 to 1925, I sold jewelry, peddled jewelry on the street.

Mr. HALLEY. Since 1925, have you had any legitimate business, other than the Wilmington operation?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Where do you live?

Mr. WEISBERG. Wyngate Hall, Fiftieth and Spruce.

Mr. HALLEY. Do you have a residence in Florida?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You go to Florida each winter; do you not?

Mr. WEISBERG. The last five or six winters; yes.

Mr. HALLEY. Does Cappy Hoffman also live at Wyngate Hall?

Mr. WEISBERG. The same place.

Mr. HALLEY. He is a friend of yours, too?

Mr. WEISBERG. A very good friend of mine.

Mr. HALLEY. How long have you known Hoffman?

Mr. WEISBERG. Twenty years, around 20 years.

Mr. HALLEY. Where did you stay this last winter in Florida?

Mr. WEISBERG. The Sans Souci.

Mr. HALLEY. The Sans Souci?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. What other hotels have you stayed at in Miami and in the Miami Beach area?

Mr. WEISBERG. What years? You mean since I have been going there?

Mr. HALLEY. Yes.

Mr. WEISBERG. I can remember from 1946, 1947, and 1948, I stayed at the Sands Hotel. In 1949, of course, I stayed in the Sans Souci.

Mr. HALLEY. You stayed at no other hotel?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you ever stay at the Wofford?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Or the Boulevard?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Or the Grand?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Who owns the Sands Hotel?

Mr. WEISBERG. David Glass and Ben Street.

Mr. HALLEY. They come from Philadelphia?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How long have you known them?

Mr. WEISBERG. Glass, I have known for 20 years, maybe a little over. Street, I have known all my life, 35 years.

Mr. HALLEY. Have you any investment in the Sands Hotel?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever had any business connection with Glass or Street?

Mr. WEISBERG. No, sir.

Mr. HALLEY. In this past winter, 1949-50, how long did you spend in Florida?

Mr. WEISBERG. I arrived in Florida the first day the Sans Souci opened up. I think it was on the 20th of December. I am not sure of that date. I stayed for 8 or 9 weeks, I believe.

Mr. HALLEY. Did you, shortly after leaving Florida, go out to Hot Springs?

Mr. WEISBERG. Shortly after Florida, I was in Hot Springs. I believe I did.

Mr. HALLEY. How long were you in Hot Springs?

Mr. WEISBERG. I was in Hot Springs, I think, 10 or 11 days.

Mr. HALLEY. During what month?

Mr. WEISBERG. I think it was in—let's see, January, February, March—I think it was in April or May. I don't remember.

Mr. HALLEY. What other cities have you visited this year, 1950?

Mr. WEISBERG. Outside of Atlantic City and New York—I am not speaking of 2 or 3 miles across the bridge from here—Atlantic City and New York within the last year, outside of Florida.

Mr. HALLEY. How often do you see Rosen?

Mr. WEISBERG. Quite often.

Mr. HALLEY. About once a week, would you say?

Mr. WEISBERG. No; not that often.

Mr. HALLEY. Once a month?

Mr. WEISBERG. There is a month go by and I don't see him, 4 or 5 months. Then there is a month that I see him twice a month.

Mr. HALLEY. You were together in Hot Springs for some days?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. Then you were probably together in Florida this winter for some time?

Mr. WEISBERG. That is right. He didn't spend much time there. He was up and back from Florida.

Mr. HALLEY. You did see him when he was there?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How often have you been to New York this year?

Mr. WEISBERG. This year? To the best of my knowledge, not over five times.

Mr. HALLEY. What hotel do you stay at in New York?

Mr. WEISBERG. I sleep at a turkish bath called the Luxor Bath.

Mr. HALLEY. On Seventh Avenue?

Mr. WEISBERG. Between Sixth and Seventh Avenue on Forty-Sixth Street.

Mr. HALLEY. Do you know Frank Erickson?

Mr. WEISBERG. I saw him one time in my life, in person, other than a picture in the paper.

Mr. HALLEY. You know Mugsy Taylor?

Mr. WEISBERG. Very well.

Mr. HALLEY. How long have you known Herman Taylor?

Mr. WEISBERG. 25 years, I guess.

Mr. HALLEY. Have you ever had any business relationships with Taylor?

Mr. WEISBERG. No, sir; none whatsoever.

Mr. HALLEY. None of any kind at all?

Mr. WEISBERG. None whatsoever.

Mr. HALLEY. Have you ever met Frank Costello?

Mr. WEISBERG. I believe I saw him in a restaurant in Florida.

Mr. HALLEY. Were you introduced to him?

Mr. WEISBERG. No, sir. I don't know the man. I mean, only to see.

Mr. HALLEY. You have never spoken to him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Willie Moretti?

Mr. WEISBERG. I don't know the name.

Mr. HALLEY. You don't know Willie Moretti at all?

Mr. WEISBERG. No.

Mr. HALLEY. M-o-r-e-t-t-i?

Mr. WEISBERG. The name I don't remember.

Mr. HALLEY. Do you know James Rutkin?

Mr. WEISBERG. By sight.

Mr. HALLEY. You do know him?

Mr. WEISBERG. Yes. I saw him in Hot Springs.

Mr. HALLEY. When did you see him in Hot Springs?

Mr. WEISBERG. I believe the last time I was there, I think; or the time before, maybe.

Mr. HALLEY. Did you meet him at Hot Springs?

Mr. WEISBERG. He was there when I arrived.

Mr. HALLEY. You spoke to him there, though?

Mr. WEISBERG. Oh, yes. "Hello, how are you?" There is one street there, and you meet everyone.

Mr. HALLEY. Were you with Stromberg when you met him?

Mr. WEISBERG. That I don't remember, Mr. Halley.

Mr. HALLEY. Do you know Joe Adonis?

Mr. WEISBERG. By sight only.

Mr. HALLEY. You have never spoken to him?

Mr. WEISBERG. "Hello."

Mr. HALLEY. Do you know Longie Zwillman?

Mr. WEISBERG. By sight.

Mr. HALLEY. You have never spoken to him?

Mr. WEISBERG. "Hello."

Mr. HALLEY. What do you mean by "Hello?"

Mr. WEISBERG. I would see him and nod.

Mr. HALLEY. You have been introduced, then?

Mr. WEISBERG. To Zwillman, I don't think I have, sir.

Mr. HALLEY. Have you ever sat at the same table with him at a restaurant?

Mr. WEISBERG. No, sir, probably in the same restaurant with him. I can't remember that. When I say "often," I have seen him in restaurants or cafes, but never in his party.

Mr. HALLEY. Do you know James Lynch?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You say you know Joe Adonis to nod to?

Mr. WEISBERG. Yes, "Hello."

Mr. HALLEY. Have you actually been introduced to Joe Adonis?

Mr. WEISBERG. I don't think so.

Mr. HALLEY. Do you know Augie Pisano?

Mr. WEISBERG. Yes.

Mr. HALLEY. How long have you known Augie Pisano?

Mr. WEISBERG. I have seen Augie—when I say "seen" him, I have known him—the first time I met Augie Pisano was at the Camden Race Track, the first year it opened up, the first or second year. Then they chased me off the track.

Mr. HALLEY. That was around 1946?

Mr. WEISBERG. Something like that; yes.

Mr. HALLEY. Who introduced you to Augie?

Mr. WEISBERG. I don't know. Someone introduced me on the track. He was getting tips on horses. Somebody went with him that I knew. I forget who it was. I was trying to get the horses from him.

Mr. HALLEY. Did you see Frank Erickson at the Camden track, too?

Mr. WEISBERG. No.

Mr. HALLEY. Do you know Bert Briggs?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Or Al Cantor?

Mr. WEISBERG. No.

Mr. HALLEY. Frank Straiter?

Mr. WEISBERG. No.

Mr. HALLEY. Do you know Johnny King?

Mr. WEISBERG. Johnny who?

Mr. HALLEY. King.

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How long have you known him?

Mr. WEISBERG. Since I have been going to Florida.

Mr. HALLEY. Do you know Joe Massei in Florida?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. Is he a good friend of yours?

Mr. WEISBERG. No, sir; I wouldn't say so. Just an acquaintance.

Mr. HALLEY. He lives at the Sands Hotel, doesn't he?

Mr. WEISBERG. Not to my knowledge. Not while I lived there.

Mr. HALLEY. Perhaps he lives at the Grand Hotel?

Mr. WEISBERG. I don't know that.

Mr. HALLEY. Have you ever seen Joe Massei in Philadelphia?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever had any business dealings with Joe Massei?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you know Jimmie LaFontaine?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. Have you ever had any business dealings with Jimmie LaFontaine?

Mr. WEISBERG. No, sir.

Senator O'CONOR. Do you know Lou Kenny?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. Where?

Mr. WEISBERG. I met Kenny on a race track.

Senator O'CONOR. In and around Washington ever?

Mr. WEISBERG. No, sir.

Senator O'CONOR. Did you ever see him in Washington?

Mr. WEISBERG. No, sir. I met him in Florida.

Senator O'CONOR. Do you know Julius Fink?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. Where did you know him?

Mr. WEISBERG. I knew him for 20 years, if he is from Baltimore.

Senator O'CONOR. By what name?

Mr. WEISBERG. Blinky.

Senator O'CONOR. Have you been to Baltimore to see him?

Mr. WEISBERG. I haven't been to Baltimore in over a year. I have seen him in Baltimore.

Senator O'CONOR. Prior to that, did you see him very frequently?

Mr. WEISBERG. Quite often, quite often.

Senator O'CONOR. Without going into details, now, could you give us an idea of the nature of the business that you had with him?

Mr. WEISBERG. I had no business with him other than friendly business, or I would say this: If there was any kind of show or fight around, he would call or he would come up. He was just a good friend of mine.

Senator O'CONOR. Do you know what business he is engaged in?

Mr. WEISBERG. No; I don't, sir.

Senator O'CONOR. Counsel has asked you with regard to Jimmie LaFontaine. Where did you visit him?

Mr. WEISBERG. I never visited Mr. LaFontaine.

Senator O'CONOR. Where did you see him?

Mr. WEISBERG. I would like to go on record to say this. Mr. Goldscheine asked me this question, whether I was ever in Mr. LaFontaine's place, and I said "no." Later—he asked me a hundred questions, and later, thinking about it, I was in Mr. LaFontaine's place. I made quite a few bets on horses in his gambling house.

Senator O'CONOR. Located where?

Mr. WEISBERG. In Maryland, near Washington, on a road——

Senator O'CONOR. Known as the Maryland Athletic Club?

Mr. WEISBERG. That is right.

Senator O'CONOR. And when was that? Just about, approximately the year.

Mr. WEISBERG. The last time I was there?

Senator O'CONOR. Yes.

Mr. WEISBERG. I think 1945 or 1946.

Senator O'CONOR. Four or five years ago?

Mr. WEISBERG. I will tell you. I will go on record to say this, that I would like to correct that in some way, that mistake I made with Mr. Goldscheine.

Mr. GRAY. That is not a matter for this committee.

Senator O'CONOR. Except, if you wish to state in some detail now that you have the opportunity, it is perfectly in order, if you wish to, so as to avoid this record's appearing to be in conflict with the other, and maybe at a later date saying—what I am trying to say is that I do not want you to be restricted in giving any details here, so that at a later date it may be said that you had a chance but did not volunteer. So you are at perfect liberty to give any details.

Mr. WEISBERG. The only detail I would like to give, I stated I was never in the man's place. I want to go on record saying that I remember being in the man's place.

Senator O'CONOR. You thought it over afterwards and, to the best of your knowledge, it was either around 1945 or 1946?

Mr. WEISBERG. Something like that.

Senator O'CONOR. And you placed bets there?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. Without giving the exact amounts, which you cannot do, were the bets of considerable size, or otherwise?

Mr. WEISBERG. I tell you that I wouldn't remember.

Senator O'CONOR. Were gambling operations of any size being conducted there at the time?

Mr. WEISBERG. There were some crap games there, and, of course, horses and blackjack. That is all, to the best of my knowledge.

Senator O'CONOR. How many times would you say you were at LaFontaine's place?

Mr. WEISBERG. Prior to that, I really can't remember.

Senator KEFAUVER. Let the record show that the chairman is here, but I want Senator O'Conor to act as chairman.

Mr. HALLEY. Did you ever see Stromberg at the Maryland Athletic Club?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Who introduced you to LaFontaine?

Mr. WEISBERG. Herman Taylor, I believe.

Mr. HALLEY. Did you ever see Taylor at the Maryland Athletic Club?

Mr. WEISBERG. I can't remember whether I did or not, sir.

Mr. HALLEY. Did you ever go there with anyone else?

Mr. WEISBERG. I guess I was with some fellows, but who, I can't remember. Horse players, you know. I can't remember who, so far back.

Mr. HALLEY. Did you ever own any part of the Maryland Athletic Club?

Mr. WEISBERG. I refuse to answer that on the grounds it may incriminate me of a Federal offense.

Mr. HALLEY. Did you ever have any financial transactions, other than betting at a dice game, with Jimmie LaFontaine?

Mr. WEISBERG. I refuse to answer that on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Do you know whether or not Mugsy Taylor was an owner or part owner of the Maryland Athletic Club?

Mr. WEISBERG. I wouldn't know.

Mr. HALLEY. Were you ever told that he was an owner or part owner?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you ever see Mugsy Taylor take any action with reference to the Maryland Athletic Club by nature of directing its affairs?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you ever see him give any orders to any employee of the Maryland Athletic Club?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know whether Herman Taylor ever received any money from Jimmie LaFontaine?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you ever receive any money from Jimmie LaFontaine?

Mr. WEISBERG. I refuse to answer on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. The witness has refused to answer that line of questions, as you observed, Mr. Chairman. May I ask the chairman to direct him to answer?

Mr. GRAY. I differ as to "that line of questions."

Senator O'CONOR (presiding). Counsel, as was the case yesterday, it could, if agreeable to you, be understood that the series of questions asked, without having it repeated each time, would be considered asked with the approval of the committee.

Mr. GRAY. It may so be considered.

Senator O'CONOR. And the witness will be required to answer them.

Mr. GRAY. I don't think it is necessary to waste time with that technicality.

Senator O'CONOR. Our purpose is just to avoid the repetition.

Mr. GRAY. It may so show.

Mr. HALLEY. Did you have any interest in the Maryland Athletic Club financially?

Mr. WEISBERG. I refuse to answer on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. Did you know Neddie Herbert?

Senator O'CONOR. Counsel, have you finished that? Before you leave that, without involving yourself or without answering anything that would necessarily relate to you, Mr. Weisberg, are you in possession of any information that you know, from your observations of whoever you saw there when you visited these several times, that there was protection given to the place?

Mr. WEISBERG. I wouldn't know, sir.

Senator O'CONOR. Was it operating pretty openly?

Mr. WEISBERG. There is a fence around the place, and there are a lot of automobiles there.

Senator O'CONOR. It is so situated that it would be observed from the roads and nearby?

Mr. WEISBERG. I don't think you could see it off the road, Senator O'Conor.

Senator O'CONOR. It is not too far away?

Mr. WEISBERG. There is a real tall fence, if my memory serves me well, and you can't see anything until you get into the road, and then you see the building.

Senator O'CONOR. It was, however, a big operation?

Mr. WEISBERG. Yes, sir; I would call it.

Senator O'CONOR. There was not any apparent effort to conceal or to keep the thing under cover?

Mr. WEISBERG. Not once you get inside.

Senator O'CONOR. That is what I mean.

Senator KEFAUVER. Was there anything to stop you from getting inside the fence?

Mr. WEISBERG. No, sir.

Senator KEFAUVER. When you got inside the fence, there the building was?

Mr. WEISBERG. Yes, sir.

Senator KEFAUVER. Were automobiles parked outside the fence, too?

Mr. WEISBERG. No, sir. To my knowledge, they were all inside the fence.

Senator O'CONOR. On the occasions when you visited, was it generally on successive nights? Were you there for a long period of time?

Mr. WEISBERG. I don't remember being there at night. I played some horses in the daytime. I don't remember that at any time I was ever there in the night.

Senator O'CONOR. During the day, several times a week, or anything of that kind?

Mr. WEISBERG. Never.

Senator O'CONOR. Was Julius Fink there with you?

Mr. WEISBERG. Was Julius Fink ever there with me?

Senator O'CONOR. Blinky.

Mr. WEISBERG. To my knowledge, no, sir.

Senator O'CONOR. What places in Baltimore did you visit with Blinky?

Mr. WEISBERG. Restaurants, his home.

Senator O'CONOR. Any gambling places?

Mr. WEISBERG. No, sir. I never heard of a gambling place in Baltimore, an open gambling place; I mean, like LaFontaine's.

Senator O'CONOR. That is exactly what I was anxious to get, and for you to give us any detail. You say you never saw an open place like LaFontaine's, but you did consider LaFontaine's an open place?

Mr. WEISBERG. That is right.

Mr. HALLEY. You stated that you are trying, within the bounds of properly protecting yourself, to help the committee?

Mr. WEISBERG. That is right.

Mr. HALLEY. I wonder, as an expert, could you give the committee some idea of how a man like LaFontaine could have accumulated the sum of 11½ million dollars in currency, which was found in his box when he died?

Mr. WEISBERG. Mr. Halley, if I knew how I probably would try to do it myself. I don't know how he made that kind of money. I never saw that kind of money in my life.

Mr. HALLEY. The people who run gambling houses have opportunities to make that kind of money?

Mr. WEISBERG. If they found it, he evidently made it there. It is the only business I ever knew him to be in.

Mr. HALLEY. Were you ever in the Lodi place in New Jersey, in northern New Jersey?

Mr. WEISBERG. No, sir. I don't believe I was ever in northern New Jersey in my life, not only in the place. I don't know what the place is. I don't believe I was ever in a restaurant.

Mr. HALLEY. The place that your friend, Mr. Rutkin, had a piece of.

Mr. WEISBERG. Never in my life, sir. I don't know where it is.

Mr. HALLEY. Do you know Louis Greenberg in Chicago?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You know who I mean?

Mr. WEISBERG. No.

Mr. HALLEY. The man who owns Canadian Ace Beer.

Mr. WEISBERG. No, I don't, sir. I don't know who you are talking about.

Mr. HALLEY. Do you know Jake Guzik of Chicago?

Mr. WEISBERG. No, sir. If I saw—Jack Guzik, you mean?

Mr. HALLEY. Yes.

Mr. WEISBERG. I saw his picture in magazines.

Mr. HALLEY. You have never met either of those gentlemen?

Mr. WEISBERG. No.

Mr. HALLEY. Have you ever met Charlie Fischetti?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How long have you known Charlie Fischetti?

Mr. WEISBERG. Charlie Fischetti, the first time I saw him I believe was in Florida.

Mr. HALLEY. In what year?

Mr. WEISBERG. In 1945 or '46, one of the 2 years.

Mr. HALLEY. Who introduced you to Charlie Fischetti?

Mr. WEISBERG. Who introduced me to Charlie Fischetti? I don't remember, sir.

Mr. HALLEY. Have you ever had any business dealings with Charlie Fischetti?

Mr. WEISBERG. No; none whatsoever.

Mr. HALLEY. Have you ever seen Charlie Fischetti in Atlantic City?

Mr. WEISBERG. I think I saw Charlie Fischetti in Atlantic City 3 or 4 years ago, on the boardwalk.

Mr. HALLEY. Was he with anyone else?

Mr. WEISBERG. When I saw him, I think he was with Herman Taylor. I think he was with Herman Taylor.

Mr. HALLEY. Was anyone else with him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you know Al Capone?

Mr. WEISBERG. I never saw the man in person in my life.

Mr. HALLEY. You never saw Al Capone in your life?

Mr. WEISBERG. In person; no, sir.

Senator O'CONNOR. Why do you qualify it in that way?

Mr. WEISBERG. He asked me if I know him. If I knew him personally, I would say, "Yes." I never saw him to look at him in person, only in a picture.

Senator O'CONNOR. You really did not know him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Al Capone was in prison here in Philadelphia; wasn't he?

Mr. WEISBERG. Yes.

Mr. HALLEY. Do you know whether or not, when Al Capone was released from prison, he went first to the home of Mugsy Taylor?

Mr. WEISBERG. That I don't know.

Mr. HALLEY. You have heard that; have you not?

Mr. WEISBERG. No, I haven't; no, I haven't.

Mr. HALLEY. Fischetti stays at the home of Mugsy Taylor in Atlantic City; does he not?

Mr. WEISBERG. No, sir; not to my knowledge.

Mr. HALLEY. You have never heard that?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Mickey Cohen?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Meyer Lansky?

Mr. WEISBERG. Yes, sir; by sight.

Mr. HALLEY. Have you ever seen him with Stromberg?

Mr. WEISBERG. Have I ever seen Lansky and Stromberg? I don't think I did, sir.

Mr. HALLEY. Who introduced you to Lansky?

Mr. WEISBERG. I think Stromberg.

Mr. HALLEY. Where?

Mr. WEISBERG. I don't remember.

Mr. HALLEY. Who is Don Halper?

Mr. WEISBERG. Say that again, please?

Mr. HALLEY. Don Halper, H-a-l-p-e-r.

Mr. WEISBERG. I don't know.

Mr. HALLEY. Do you know a man named Jack Lewis?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you had any dealings with the jukebox business?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You have never had any concern with it?

Mr. WEISBERG. Not at all.

Mr. HALLEY. Have you ever had any connection, remote, direct or indirect with a motor sales company in Media, Pa?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Johnny DeYoung?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. What is his business?

Mr. WEISBERG. A detective.

Mr. HALLEY. Do you know John Hackett?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How long have you known them?

Mr. WEISBERG. Hackett, I have known as long as I have known Richardson.

Mr. HALLEY. That would be about 20 or 25 years?

Mr. WEISBERG. 25 years.

Mr. HALLEY. How long have you known Johnny DeYoung?

Mr. WEISBERG. About 5 or 6 years.

Mr. HALLEY. Have you ever been in Hackett's home?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Has he ever been in yours?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever entertained him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever had meals together anywhere?

Mr. WEISBERG. Not together. In the same restaraunt that I have had my meals in, I have seen him.

Mr. HALLEY. You have never been at the same table?

Mr. WEISBERG. I don't know about that. Maybe I walked over to say "Hello."

Mr. HALLEY. You never paid for a meal for him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Did you ever give him a gift?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever given a gift to any police officer of the city of Philadelphia?

Mr. WEISBERG. I refuse to answer that on the ground I may incriminate myself of a Federal offense.

Mr. HALLEY. You understand that under the rule set by the chair, you are directed to answer that?

Mr. WEISBERG. I refuse to answer.

Senator O'CONOR. In other words, I am not repeating it, but that is the understanding.

Mr. WEISBERG. That is all right, sir.

Senator O'CONOR. The committee does instruct you to answer, and it is understood that you have declined.

Mr. HALLEY. Have you ever entertained any member of the police force of Philadelphia?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You never entertained any of them?

Mr. WEISBERG. No, sir.

Mr. HALLEY. But you feel you should exercise your constitutional privilege with respect to the question of whether you have ever given a police officer a gift, is that right?

Mr. WEISBERG. That I refuse to answer it on the ground it may incriminate me of a Federal offense.

Mr. GRAY. He has indicated it.

Senator O'CONOR. He has indicated it.

You stated to the committee that Richardson is unfriendly to you?

Mr. WEISBERG. That is right.

Senator O'CONOR. Who, of the Philadelphia officers, are you most friendly with?

Mr. WEISBERG. Friendly with?

Senator O'CONOR. In other words, having lived here since the age of 6 months, you certainly know a lot of officers. Who, of the Philadelphia officers, are you on the friendliest of terms with?

Mr. WEISBERG. To term it friendly, not any; real friendly, not any.

Senator O'CONOR. You certainly know them all because, as you indicated today, when you were up in the building and met Mr. Gray and drove him home, you certainly knew them all.

Mr. WEISBERG. By sight.

Senator O'CONOR. Yes. Your activities around town here since you were old enough to know anything are certainly such that you know, I guess, all or most all of the officers, at least the ones——

Mr. WEISBERG. By sight, Senator O'Conor.

Senator O'CONOR. Have you not been on friendlier terms with any of them than that?

Mr. WEISBERG. No, sir.

Senator O'CONOR. Do you want to offer any explanation of why, then, you decline to answer the question propounded to you by Mr. Halley as to whether you have made any gifts to any, if you do not know any of them or have not been on friendly terms with them?

Mr. WEISBERG. I refuse to answer that on the grounds it may incriminate me of a Federal offense.

Senator O'CONOR. All right.

MR. HALLEY. Were you ever in the Locust Cafe?

MR. WEISBERG. Yes, sir.

MR. HALLEY. Where is that located?

MR. WEISBERG. Forty-fifth and Locust Street.

MR. HALLEY. Who owns it?

MR. WEISBERG. To the best of my knowledge, George Nathans.

MR. HALLEY. Do you know him personally?

MR. WEISBERG. Yes, sir.

MR. HALLEY. Have you ever had a drink there with Hackett?

MR. WEISBERG. I will say I have; yes, sir.

MR. HALLEY. Have you ever had a drink there with DeYoung?

MR. WEISBERG. Yes, sir.

MR. HALLEY. Hackett and DeYoung are the same two police officers we have just mentioned, is that right?

MR. WEISBERG. Yes, sir.

MR. HALLEY. Would you say that on more than one occasion you have had a drink there with Hackett and DeYoung?

MR. WEISBERG. Yes.

MR. HALLEY. Would you say that on some occasions you have had a great many drinks there with Hackett and DeYoung?

MR. WEISBERG. Yes, sir.

MR. HALLEY. Would you say that on some occasions you have had a drink at that cafe with other police officers?

MR. WEISBERG. Yes, sir.

MR. HALLEY. Who bought the drinks?

MR. WEISBERG. I bought them a drink. They sent me a drink at the bar.

MR. HALLEY. Who sent you a drink at the bar?

MR. WEISBERG. Some of the cops. There were six or seven of them there.

MR. HALLEY. Is that a hang-out for the cops?

MR. WEISBERG. I don't know whether it is a hang-out or not, but it seems like every time you go in there, there are police in there.

MR. HALLEY. You go in there pretty often?

MR. WEISBERG. I live right close there; yes, sir.

MR. HALLEY. So you generally see the policemen right in there, is that right?

MR. WEISBERG. Yes, sir; that is right.

MR. HALLEY. On occasion, you have sat around all night drinking with Hackett and DeYoung, haven't you, at that place?

MR. WEISBERG. I am going to tell you to the best of my knowledge. Unless I had too much to drink, I sat there for the last 5 or 6 years many a night with a lot of people, and I don't remember.

MR. HALLEY. You have answered the question, so you might just as well stay on the path with this thing, and not try to wiggle off it.

Have you ever been in the Locust Cafe with Benny Street?

MR. WEISBERG. Have I ever been in the Locust Cafe with Benny Street? I think I have, sir.

MR. HALLEY. Do you know a cop named Mays?

MR. WEISBERG. Mays? Lieutenant Mays?

MR. HALLEY. Yes.

MR. WEISBERG. Yes, sir.

MR. HALLEY. Have you ever been in the Locust Cafe with Lieutenant Mays?

Mr. WEISBERG. He has been there while I was there; yes, sir.

Mr. HALLEY. You have had driuks together?

Mr. WEISBERG. I believe we have.

Mr. HALLEY. You have bought him a drink?

Mr. WEISBERG. He bought me a drink; I bought him a drink.

Mr. HALLEY. You are on a quite friendly basis, then?

Mr. WEISBERG. If you buy a person a drink, naturally it is on a friendly basis.

Mr. HALLEY. How about Nathans? Have you been in the Locust Cafe with Nathans?

Mr. WEISBERG. He is the owner of the place.

Mr. HALLEY. He has been sitting there with you drinking?

Mr. WEISBERG. He sat with me quite a few times.

Mr. HALLEY. Yes.

Who is Dan Shonkes?

Mr. WEISBERG. He is a fellow around Philadelphia I have known for quite a few years.

Mr. HALLEY. What business is he in?

Mr. WEISBERG. I wouldn't know.

Mr. HALLEY. Does he have any legitimate business?

Mr. WEISBERG. I wouldn't know, sir.

Mr. HALLEY. In any event, the Locust Cafe is a hangout where you meet a lot of your friends on the police force, is that right?

Mr. WEISBERG. Will you state that question? I don't want to refuse to answer it; when you say I meet a lot of my friends on the police force. I have no friends on the police force.

Mr. HALLEY. Is Hackett a friend of yours?

Mr. WEISBERG. I will put it this way. When I see him, he is pleasant to me.

Mr. HALLEY. He buys you a drink?

Mr. WEISBERG. That is right.

Mr. HALLEY. He is very pleasant?

Mr. WEISBERG. Yes; that is right.

Mr. HALLEY. Wouldn't you call that a friend, a man who buys you a drink?

Mr. WEISBERG. Yes.

Mr. HALLEY. Is Hackett a friend of yours?

Mr. WEISBERG. Not a friend of mine. I don't know how to put that. An acquaintance would be better, as far as I could put it.

Mr. HALLEY. A drinking acquaintance, let us say?

Mr. WEISBERG. Yes.

Mr. HALLEY. And is DeYoung a drinking acquaintance of yours, too?

Mr. WEISBERG. Yes.

Mr. HALLEY. They are both on the police force?

Mr. WEISBERG. Yes.

Mr. HALLEY. Lieutenant Mays?

Mr. WEISBERG. On a few occasions I have had some drinks with him at the Locust Cafe.

Mr. HALLEY. Did you ever sit around with Mays and Nathans and Benny Street and Hackett and DeYoung and do a lot of drinking?

Mr. WEISBERG. About sitting around, that I won't answer. I was in the same room and drank with them.

Mr. HALLEY. You were all in one party? You weren't in different parties?

Mr. WEISBERG. No; we were not in one party. There were different tables. If we wandered from one table to another, that is the only way we could have been together; after having a few drinks, I guess we wander around.

Mr. HALLEY. And talk?

Mr. WEISBERG. And talk.

Mr. HALLEY. It is a convivial atmosphere, in other words?

Mr. WEISBERG. That is a kind of large word, Mr. Halley.

Mr. HALLEY. It is a pleasant, friendly atmosphere?

Mr. WEISBERG. Yes, sir; I can understand that.

Mr. HALLEY. What other cops do you drink with in the cafe?

Mr. WEISBERG. By name, I wouldn't know; only by face, outside of those people you mentioned.

Mr. HALLEY. Richardson?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Captain Elwell?

Mr. WEISBERG. I never saw him in my life. I don't know who he is.

Mr. HALLEY. Vincent Elwell?

Mr. WEISBERG. I don't know who he is.

Mr. HALLEY. Do you know Capt. Luke McBride?

Mr. WEISBERG. I don't know who he is.

Mr. HALLEY. Do you know Inspector Driscoll?

Mr. WEISBERG. Yes, sir; by sight.

Mr. HALLEY. Have you ever had a drink with him?

Mr. WEISBERG. Never in my life.

Mr. HALLEY. Do you know Inspector Ellis, Craig Ellis?

Mr. WEISBERG. I don't know the gentleman.

Mr. HALLEY. Do you know Lt. Clarence Ferguson?

Mr. WEISBERG. Yes, sir; by sight.

Mr. HALLEY. Have you ever had a drink with him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Detective Joe Hentz?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Detective Charles Perkolup?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You don't know them at all?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You have said that you believe that Richardson is persecuting you by arresting you so frequently.

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. Yet you live well, is that right?

Mr. WEISBERG. What does that have to do with the persecution by Richardson, Mr. Halley?

Mr. HALLEY. Let me ask the question, and we will lead up to it.

Mr. WEISBERG. I am sorry.

Mr. HALLEY. You live pretty well, don't you?

Mr. WEISBERG. Yes, I do.

Mr. HALLEY. Do you have an automobile?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. What kind?

Mr. WEISBERG. A Cadillac.

Mr. HALLEY. What year?

Mr. WEISBERG. 1949.

Mr. HALLEY. You spend long periods of time in Florida?

Mr. WEISBERG. Like I told you. I spent 8 or 9 weeks there last year.

Mr. HALLEY. You have an apartment here in Philadelphia?

Mr. WEISBERG. Yes.

Mr. HALLEY. Don't you think that it is part of Richardson's duty to keep attempting to try to find out how you make a living, since you, yourself, say you have no legitimate business?

Mr. WEISBERG. Am I the only one in Philadelphia he has to watch day and night, who haven't done anything in Philadelphia for 10 years? He has to have a right to walk into a restaurant when I am there with my sister and wife, and chase me out of a restaurant?

Mr. HALLEY. Are there other people in Philadelphia who also have apparently no legitimate means of earning a living, and yet live well?

Mr. WEISBERG. They evidently have a system, Mr. Halley, around here. They set themselves up a Caesar. Whoever had the O. K. to walk around could walk around; whoever didn't have the O. K. to walk around couldn't walk around the city of Philadelphia.

Mr. HALLEY. You don't have the O. K.?

Mr. WEISBERG. I never did in the last 10 years.

Mr. HALLEY. Who did have the O. K.?

Mr. WEISBERG. I don't know.

Mr. HALLEY. You are making serious charges.

Mr. WEISBERG. The city is full of people who don't have business. I am not the only one.

Mr. HALLEY. Who?

Mr. WEISBERG. I don't know. I haven't been around here. If you walk to Broad and Locust, you see 200 people hanging around there.

Mr. HALLEY. They may have incomes. We don't know.

Mr. WEISBERG. That I don't know. I know a lot of them who don't have an income, not by name, but by looking at them.

Mr. HALLEY. Where can we go look at them?

Mr. WEISBERG. I don't know; Broad and Locust.

Mr. HALLEY. You are not referring just to a bunch of loafers? I am talking about people who live well, who own Cadillac automobiles, who go to Florida. Are there any like that whom he doesn't bother.

Mr. WEISBERG. I don't want to tell you what to do. You do have investigators. I don't think it would be too hard to find out.

Mr. HALLEY. Do you know a fellow named Abe Cavis?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Milton Cavis?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Mike Landes?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Charles McCuen?

Mr. WEISBERG. No, sir.

Mr. HALLEY. You have never met any of those people?

Mr. WEISBERG. No, sir.

Senator O'CONOR. Do you know Lt. Harry Clark?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. Very well?

Mr. WEISBERG. Yes.

Senator O'CONOR. Counsel was asking you whether you had met with and had drinks with or had eaten with any officers. How about Lieutenant Clark?

Mr. WEISBERG. I had a drink with him yesterday afternoon after I left here.

Senator O'CONOR. Had you been with him on prior occasions?

Mr. WEISBERG. Until yesterday, Mr. O'Conor, I haven't seen Lieutenant Clark for 4 or 5 years.

Senator O'CONOR. Had you at those times, back 4 or 5 years ago, eaten with him?

Mr. WEISBERG. No, sir.

Senator O'CONOR. Ever been in company with him at any restaurants or hotels?

Mr. WEISBERG. No hotels at all. I evidently bumped into him in a restaurant—some restaurant which I don't know.

Senator O'CONOR. Did you ever meet with him and have dinner with him at the Warwick?

Mr. WEISBERG. No, sir.

Senator KEFAUVER. How come you met him yesterday afternoon?

Mr. WEISBERG. I left this place and walked into a place to have a drink, and I was sitting there having a drink, and Mr. Clark walked in.

Mr. GRAY. May I inform the committee that Mr. Clark has not been for some time on the police force.

Senator KEFAUVER. I see. He sat down with you?

Mr. WEISBERG. No; he stood at the bar and I got up and had a drink with him, and he left.

Senator O'CONOR. You did meet him about 4 or 5 years ago. Was he on the police force then?

Mr. WEISBERG. I believe he was so.

Mr. GRAY. That is definite. I have personal knowledge.

Mr. WEISBERG. Yes. He is retired.

Mr. GRAY. I attended a banquet for him when he retired.

Senator KEFAUVER. How about your apartment at the Warwick?—Where is your apartment?

Mr. WEISBERG. Wyngate Hall, sir.

Senator KEFAUVER. Have any of them ever been out to your apartment?

Mr. WEISBERG. No, sir.

Senator KEFAUVER. Not at all?

Mr. WEISBERG. Not to my knowledge.

Senator KEFAUVER. You would know about it if they came?

Mr. WEISBERG. Yes, sir.

Senator KEFAUVER. Don't you have parties out there?

Mr. WEISBERG. No, sir. I have a sick wife.

Senator KEFAUVER. Your friends don't ever come by your apartment?

Mr. WEISBERG. My friends do; yes.

Senator KEFAUVER. Do you entertain at your apartment?

Mr. WEISBERG. No, sir. I have a very small place.

Senator KEFAUVER. You say here that no police officer has ever been in your apartment?

Mr. WEISBERG. To my memory, no, sir.

Senator O'CONOR. On any of the occasions when you were with Lieutenant Clark, was Mugsy Taylor with you?

Mr. WEISBERG. Mugsy Taylor was there yesterday afternoon. So I walked out of here with him to get a drink.

Senator O'CONOR. That was just an accidental meeting?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. In the past, on any previous occasion when you were with Lieutenant Clark, was Mugsy Taylor with you?

Mr. WEISBERG. I don't believe so. I couldn't remember, sir.

Senator O'CONOR. You don't remember having any meeting about a business affair?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Frank Palermo?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. What business is he in?

Mr. WEISBERG. He is a fight manager.

Mr. HALLEY. Does he have any other business?

Mr. WEISBERG. I wouldn't know, sir.

Mr. HALLEY. Is he one of the people that Richardson lets walk around?

Mr. WEISBERG. I think he is one of the people that Richardson hates.

Mr. HALLEY. Richardson hates him, too?

Mr. WEISBERG. Yes.

Senator KEFAUVER. Does he operate the CR Club?

Mr. WEISBERG. No.

Mr. GRAY. That is Palumbo.

Mr. HALLEY. Do you know Reginelli?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. What business is he in?

Mr. WEISBERG. I don't know, sir.

Mr. HALLEY. Does he have any legitimate business that you know of?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Does Richardson hate him or like him?

Mr. WEISBERG. That I can't answer.

Mr. GRAY. May I suggest to you that Reginelli does not live in Philadelphia.

Mr. HALLEY. He lives in Camden?

Mr. WEISBERG. Yes, sir.

Mr. GRAY. I am only saying these things to try to be helpful.

Mr. HALLEY. Thank you. We appreciate it.

Do you have any business dealings with these policemen that you sometimes drink with, DeYoung and Hackett?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know whether they have any business other than being policemen?

Mr. WEISBERG. Yes; I do. Sergeant DeYoung has an automobile place in Media. He being a nice man, whenever I pass by I stop for gas or have my automobile repaired, or any minor thing on the Cadillac. They have the Plymouth and De Soto agency.

Mr. HALLEY. You didn't buy your Cadillac from them; did you?

Mr. WEISBERG. No, sir. They don't sell Cadillacs, to my knowledge.

Mr. HALLEY. You haven't had much work on a 1949 Cadillac; have you?

Mr. WEISBERG. Not much; no.

Mr. HALLEY. Do you know whether both DeYoung and Hackett are in that?

Mr. WEISBERG. No; I wouldn't know, sir.

Mr. HALLEY. Who do you think is in it?

Mr. WEISBERG. I think DeYoung is the owner.

Mr. HALLEY. You think DeYoung is the owner. Do you know whether Hackett is ever there?

Mr. WEISBERG. I don't know.

Mr. HALLEY. Are they good friends?

Mr. WEISBERG. To my knowledge; yes.

Mr. HALLEY. Do you have occasion to telephone out there fairly often?

Mr. WEISBERG. No, sir; other than for my automobile, getting it repaired or something. Before I had this Cadillac, I had an Oldsmobile. If there was anything wrong with it, I used to run it out there.

Mr. HALLEY. Would that be the only reason you would ever telephone?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. Either your records or theirs should show that pretty nearly every time you telephone there your car was in the garage?

Mr. WEISBERG. Something relating to it, relating to my automobile.

Mr. HALLEY. You never had any other business with them?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you have any other garage to take care of your automobile?

Mr. WEISBERG. No, sir. I leave my car on the street.

Mr. HALLEY. All the servicing is done by DeYoung?

Mr. WEISBERG. I wouldn't say all. It is a Cadillac automobile. If it is a minor adjustment, I run it out there, a change of oil or something like that.

Mr. HALLEY. Do you know anybody in the Sun Hotel in Chester?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. Who do you know in the Sun Hotel at Chester?

Mr. WEISBERG. Sam Green.

Mr. HALLEY. How long have you known Sam Green?

Mr. WEISBERG. I have known Sam Green for 15 or 20 years, I guess.

Mr. HALLEY. Do you ever visit him down there?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How often?

Mr. WEISBERG. When I feel like having a drink or when I pass by in my automobile, I stop in.

Mr. HALLEY. Have you any business relationship with him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever had any?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know if there is any gambling in the Sun Hotel in Chester?

Mr. WEISBERG. To my knowledge; no, sir.

Mr. HALLEY. You have never seen any gambling in the Sun Hotel in Chester?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Is Frank Palermo a good friend of yours?

Mr. WEISBERG. Yes, sir. I was born and raised with him.

Mr. HALLEY. Do you see him often?

Mr. WEISBERG. Wherever I am in town, I see him.

Mr. HALLEY. Do you have any business relationships with him?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you ever had any?

Mr. WEISBERG. I refuse to answer on the grounds it may incriminate me of a Federal offense.

Mr. HALLEY. Have you ever had any business relationships with him of a legitimate nature?

Mr. WEISBERG. No, sir; other than buying tickets off him for a fight.

Mr. HALLEY. Have you ever had any business relationships with him in matters which, while they might or might not constitute violations of State law, did not constitute violations of Federal law?

Mr. WEISBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. You understand I am excluding any possible violations of Federal law. I am just saying, did you ever have any business with him that might or might not have involved a violation of State law?

Mr. WEISBERG. I refuse to answer that question on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. You understand that, by his silence, the chairman is instructing you to answer that question?

Senator O'CONOR. That is so ordered.

Mr. GRAY. I so understand with respect to every question of that type he refuses to answer.

Senator KEFAUVER. Have you had any legitimate business with him?

Mr. WEISBERG. No.

Mr. HALLEY. Have you had any business relationships with Davey Glass?

Mr. WEISBERG. No, sir.

Mr. HALLEY. None at all?

Mr. WEISBERG. None whatsoever.

Mr. HALLEY. Have you had any with Milky Tickner?

Mr. WEISBERG. No, sir.

Mr. HALLEY. At any time?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you had any business relationships with Julius Fink?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Have you had any business relationships with Abe Minker?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Do you know Abe Minker?

Mr. WEISBERG. Yes, sir.

Mr. HALLEY. How long have you known him?

Mr. WEISBERG. I have known Abe Minker 10 or 12 years, I guess—a casual acquaintance.

Senator O'CONOR. If you had no business relations with Julius Fink, what was the nature of your telephone calls to him frequently?

Mr. WEISBERG. Like I said before, if there was some kind of fight or baseball game or something or other, he would call me or I would call him. We are just good friends.

Senator O'CONOR. That is the only purpose?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. You have to have long-distance calls just because of that?

Mr. WEISBERG. He would call me; yes, sir; if there was a big fight here or anything, or a football game; wherever they hold it there, I could call him.

Mr. HALLEY. How many times have you gone to Hot Springs in the last 5 years?

Mr. WEISBERG. How many times have I gone to Hot Springs in the last 5 years? I would say four or five times.

Mr. HALLEY. Could you give the occasions, as best you can? The last time was when you were down at the Arlington this spring; is that right?

Mr. WEISBERG. That is right.

Mr. HALLEY. On this last occasion, that is when you met Rutkin there; is that right?

Mr. WEISBERG. I don't know whether it was the last occasion or the year before. I don't know. I can't remember.

Mr. HALLEY. When you met Rutkin, did you have any conversations concerning a man named Reinfeld?

Mr. WEISBERG. No, sir. I don't know who Reinfeld is other than what I read in the paper.

Mr. HALLEY. You have read about Reinfeld?

Mr. WEISBERG. In the paper; yes.

Mr. HALLEY. You have had no conversation with Rutkin about Reinfeld?

Mr. WEISBERG. None whatsoever.

Mr. HALLEY. Did you have any conversations with Stromberg about Reinfeld?

Mr. WEISBERG. No, sir.

Mr. HALLEY. Prior to that, when were you last there? You say you are not sure whether this was this year or last year? Would you think and try to clarify that in your mind?

Mr. WEISBERG. With Rutkin? Is that what you mean?

Mr. HALLEY. On the occasion when you saw Rutkin.

Mr. WEISBERG. I would say the trip before this one, this last one. I think that is the time I saw him.

Mr. HALLEY. You were there this spring?

Mr. WEISBERG. That is right; I think it was this spring.

Mr. HALLEY. And you were there last spring?

Mr. WEISBERG. That is right. I think that is about right.

Mr. HALLEY. Do you go there every year?

Mr. WEISBERG. I try to get there every year, but I have missed quite a few years.

Mr. HALLEY. Do you ever go to Saratoga Springs?

Mr. WEISBERG. I haven't been to Saratoga Springs since 1927.

Mr. HALLEY. Is Hot Springs a place where people who are known to be racketeers gather, particularly the Arlington Hotel?

Mr. WEISBERG. How would I know, Mr. Halley? I have a hunch. I don't know. There are certain things. You ask me a question of that type; how would I know what people have in mind when they gather, other than my own affairs and my own crowd that I ride with, other than seeing people that I know?

MR. HALLEY. There are certain clubs, certain restaurants, and certain hotels—

MR. WEISBERG. There is only one good restaurant.

MR. HALLEY. Where you know you will meet people?

MR. WEISBERG. You see a lot of people who stay around there. There is one street, and it is hard to duck anyone in Hot Springs if you are at the Arlington Hotel.

MR. HALLEY. What is the attraction there?

MR. WEISBERG. The baths. I have a very bad case of bursitis. I have had it for 10 years.

MR. HALLEY. Do you actually take the baths while you are there?

MR. WEISBERG. That is the only reason I go there.

MR. HALLEY. Do you go every year?

MR. WEISBERG. If I can get there, every year; yes, sir.

MR. HALLEY. Do you manage to go at about the same time that Stromberg goes?

MR. WEISBERG. I wouldn't say that I manage to go. Whenever I get a pain, I try to go.

MR. HALLEY. You and Stromberg went together this year, didn't you, or you joined him there?

MR. WEISBERG. I think I joined him there.

MR. HALLEY. Were you there together last year?

MR. WEISBERG. The year before? Let me see. Yes, sir.

MR. HALLEY. Have you ever been to California?

MR. WEISBERG. Never in my life.

MR. HALLEY. Have you ever been to Nevada?

MR. WEISBERG. Never in my life.

MR. HALLEY. To New Orleans?

MR. WEISBERG. Never in my life.

MR. HALLEY. To Arizona?

MR. WEISBERG. Never in my life.

MR. HALLEY. New Mexico?

MR. WEISBERG. Never in my life.

MR. HALLEY. Chicago?

MR. WEISBERG. Yes.

MR. HALLEY. You have been to Chicago?

MR. WEISBERG. The last time in Chicago was the last world series they played there.

MR. HALLEY. I wish you could give us a little more help on this matter of Richardson, particularly with reference to Buck Mayer.

MR. WEISBERG. Mr. Halley, I can't give you that. I haven't been around here. The only thing I can give you is what I hear.

MR. HALLEY. You have lived here.

MR. WEISBERG. I have to go away. I can't stay in my house. I have to try to make a living.

MR. HALLEY. You see, you have said you think that Richardson—let's see if I am phrasing it right—is persecuting you.

MR. WEISBERG. I don't think. I know he is.

MR. HALLEY. You say he is trying to do it to cover himself up?

MR. WEISBERG. That is what I think he is doing it for.

MR. HALLEY. You have said that he is trying to cover up something which is a relationship with Buck Mayer?

MR. WEISBERG. I don't know about—he may be doing it with five other people.

Mr. HALLEY. Doing what?

Mr. WEISBERG. I don't know what he is doing or why he is doing this to me. He must be using me for a smoke screen. Like I said before, any time anything ever happened around here, he would go and holler—may I use the words that I want to use?

Mr. HALLEY. Sure.

Mr. WEISBERG. "I would like to take that Jew son-of-a-bitch and kill him." He has always instructed his men to do the same thing.

Mr. HALLEY. He does the same thing to Palermo?

Mr. WEISBERG. To my knowledge, yes, sir. He has beat Palermo in public at Broad and Locust 3 or 4 years ago, and I think he knocked a couple of teeth out of his mouth.

Mr. HALLEY. The fact is that both you and Palermo are two gentlemen living well, with no obvious means of support, and a cop has a right to think maybe you are up to something.

Mr. GRAY. That is just a matter of a statement and an argument. You needn't answer that.

Mr. HALLEY. Don't you think that a police officer has a right to investigate?

Mr. WEISBERG. Investigating is one thing, and hitting you is another thing.

Mr. HALLEY. Of course, no officer has a right to hit you.

Mr. WEISBERG. That is true. That is why I am telling you.

Senator KEFAUVER. May I interject? Just what do you think he is trying to cover up by the persecution of you and others?

Mr. WEISBERG. By my thinking and telling you people something I think, I can't prove and I can't say it. The only thing I do know, and the papers will state it, that any time anything ever happened around here, he would look for me, no matter if I was in the moving pictures or whoever I was with. He would harass me. On several occasions—

Senator KEFAUVER. I did not know whether you thought he was doing that to take the spotlight off somebody else.

Mr. WEISBERG. Senator, I said before that you do have investigators, and if you would send your investigators out, you could easily find out. I haven't been around here.

Senator O'CONOR. A man with your brains and knowledge and intelligence would not expect us to believe that that situation would go over, would obtain, unless he had, in your opinion, some ulterior reason or purpose in mind for aiming at you all the time. You certainly want to be frank with us?

Mr. WEISBERG. Yes; I do.

Senator O'CONOR. You believe that he is doing it for some improper purpose?

Mr. WEISBERG. Yes; I do believe that. Yes, sir; I do believe that.

Senator O'CONOR. I am trying to sum up.

Mr. WEISBERG. That is all right.

Senator O'CONOR. Because it has kept on over such a period of time; it was not just on one occasion or two, but it has been continuous, and you have been the butt of the attack all that time.

Mr. WEISBERG. That is right.

Senator O'CONOR. You think that he is not doing it just for devotion to his duty?

Mr. WEISBERG. Excuse me. Why doesn't he arrest me? Why doesn't he arrest me and prove something?

Senator O'CONOR. I am trying to get your thoughts about the matter.

Mr. WEISBERG. That is all right.

Senator O'CONOR. You do not believe it is because he is attempting to discharge his duty by coming after you all the time?

Mr. WEISBERG. No.

Senator O'CONOR. But that it is in order to cover up something else?

Mr. WEISBERG. That is right. That is what I think.

Mr. HALLEY. You think the thing he is trying to cover up is his failure to enforce the law against other people?

Mr. GRAY. Answer the question.

Mr. WEISBERG. I didn't hear it, I am sorry.

Mr. HALLEY. You think the thing he is covering up is his failure to enforce the law against some other people?

Mr. WEISBERG. That is what I think; yes, sir.

Mr. HALLEY. You think there is some connection between that and his relationship with Buck Mayer?

Mr. WEISBERG. That I can't answer. You keep hounding on Buck Mayer. I haven't been around. The only thing I heard, I told you what I heard. I went on record to say before, the only thing I am telling you is what I heard, the talk.

Mr. HALLEY. What is the talk?

Mr. WEISBERG. That he is very friendly with Buck Mayer, very friendly.

Mr. HALLEY. And that there is something improper in that friendship?

Mr. WEISBERG. I think there is.

Mr. HALLEY. Let's put it bluntly. The clear implication of what you are saying is that you think that Richardson is getting graft from somebody, and that Buck Mayer is collecting it? Is that what you mean?

Mr. WEISBERG. I wouldn't say that. I refuse to answer that on the ground it may incriminate me of a Federal offense.

Mr. HALLEY. I have no further questions.

Mr. GRAY. I think I should make a statement of my own connection with respect to Weisberg and Richardson—I am willing to be sworn if the committee desires or thinks I should do so—as to the relation of one incident.

Senator O'CONOR. Will you be sworn?

In the presence of Almighty God, do you swear that the evidence you will give in this matter will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GRAY. I do.

TESTIMONY OF WILLIAM A. GRAY, ATTORNEY, PHILADELPHIA, PA.

Senator O'CONOR. Mr. Gray, you are known to the committee, having identified yourself as counsel for the several witnesses who have testified heretofore. You have expressed a desire to make a statement, and the committee will be very glad to have you do so.

Mr. GRAY. As far as I am personally concerned, I was born in Philadelphia. I have been practicing law here for 53 years. That is so as to identify myself.

It has been a few years ago, and I can't tell you exactly how long—I would estimate probably 4 or 5 years ago—that Weisberg came to me and told me that Richardson, meeting him, had said to him he wouldn't allow him in the city of Philadelphia, in the central part of the city of Philadelphia; that he would deal with him at any time he found him.

I went over to see George Richardson, whom I know very well personally, and I said, "George, what is the trouble between you and Weisberg? If you have anything against him, issue a warrant for him and lock him up."

He said, "I won't issue any warrant for him and lock him up. The next time I see him in the city of Philadelphia, I am going to personally split his head wide open. I am going to send him to the hospital, and when he gets out of the hospital I will lock him up. You will get him out, but the next time I see him after that, I am going to do the same thing to him."

Of course, I argued the matter with him.

Knowing that there was a judge in the city of Philadelphia that had some control over Richardson, the next morning I went to the judge, and I will tell you exactly what I said to him. May I interpolate that I think that inasmuch as I am giving the committee this information, it should not be made generally public. However, I don't control that situation.

I told him what the story was about Richardson. I said to him very frankly, "If you don't see Richardson and have him stop this, I am going to take some steps in this matter which won't be very pleasant for a lot of people in the city of Philadelphia."

He evidently saw him, because for quite a while Mr. Richardson laid off Mr. Weisberg, and then resumed it again.

Mr. HALLEY. Was that Judge McDevitt?

Mr. GRAY. It was Judge McDevitt.

That is my complete statement. I will answer any questions.

Senator KEFAUVER. What is your diagnosis of why?

Mr. GRAY. Now you are asking me for an opinion?

Senator KEFAUVER. I do not want you to make any long explanation.

Mr. GRAY. I understand that.

Senator KEFAUVER. Just like Mr. Weisberg, do you think he is covering up for somebody else, a smoke screen? If you do not want to express an opinion, I will not press you.

Mr. GRAY. I will be very glad to express an opinion, Senator, but I am wondering what my situation is with respect to expressing an opinion here, which might be considered to be definitely slanderous? I don't care to subject myself, of course, to any personal altercation with him, outside of the one I have told you about, nor to any litigation with him. If the committee thinks that I am protected in any way in connection with the matter, I will voice my opinion without hesitation, but I have my own doubt about the protection that I have.

Mr. HALLEY. You are testifying, and you are answering a proper question by a member of the committee. Perhaps you could answer better a question which might be directed to asking you if you know anything of the relationship between Richardson and McDevitt.

Mr. GRAY. Nothing, except that it was reputed that he was very close to McDevitt, and that McDevitt could control him and could tell him what he should do and what he shouldn't do.

Mr. HALLEY. What was McDevitt's reputation?

Mr. GRAY. May I be pardoned if I don't answer that? If you insist on my answering it, I will answer it.

Mr. HALLEY. I would like to insist on your answering it.

Mr. GRAY. McDevitt had the reputation of being a hard judge. That is one thing, the one that probably doesn't interest you. He was in the forefront of almost everything, whether it was baseball, whether it was fights, whether it was horse shows, whether it was a community project, whether it was the ward policemen. He was present and as in the forefront of practically everything. And he had the reputation of being very close to Richardson.

Senator KEFAUVER. Did he have the reputation of being in the numbers racket?

Mr. GRAY. McDevitt?

Senator KEFAUVER. Yes.

Mr. GRAY. No.

Senator KEFAUVER. Or in anything wrong?

Mr. GRAY. Not that I have any personal knowledge of, Senator.

Senator KEFAUVER. We were asking you about reputation.

Mr. GRAY. I know you were asking about reputation. Among some people he may have had a very bad reputation, but it has never been discussed in public.

Mr. HALLEY. Was he considered a man who would "fix" a case?

Mr. GRAY. He was a judge. I don't quite get your suggestion about fixing a case.

Mr. HALLEY. Was he considered a man through whom a prosecution could be eliminated?

Mr. GRAY. You mean in a case in which he was sitting?

Mr. HALLEY. In some other case.

Mr. GRAY. I don't know that it was ever suggested that he would undertake to interfere in any case that any other judge had, although in some civil cases in which I have been interested he has taken the opportunity to go to another judge and discuss the question.

Mr. HALLEY. He had a lot of influence over the police force, didn't he?

Mr. GRAY. A very decided influence over the police force.

Mr. HALLEY. And he used that influence to get the police force to refrain from arresting certain people?

Mr. GRAY. I can't say that.

Mr. HALLEY. Did he have that reputation?

Mr. GRAY. No; I won't say that he had that reputation.

Mr. HALLEY. Did some people think he did it?

Mr. GRAY. Some people may have thought so. If you would like, I will give you an illustration of the way Richardson and he cooperated in a case regarding this man Hoffman.

Mr. HALLEY. I would appreciate that.

Mr. GRAY. Hoffman got off the train at Thirtieth Street station one day with his bag in his hand, and one of Richardson's men stepped up and arrested him. He didn't take him before a magistrate, which is the proper practice here. He took him before Judge McDevitt, and

Richardson appeared against him and testified that he was a vagrant, and he committed him to the house of correction for a year.

The matter immediately came to my attention. I took a writ of habeas corpus for him, but instead of taking it to the judge who would ordinarily hear a writ of habeas corpus on his list, I thought it was proper to take it to Judge McDevitt. I went in to see him and asked him to allow the writ, and told him I came to him because he was the one who committed him, and I thought it only fair, under the circumstances, to present it to him. He allowed the writ. I had the hearing. I showed him the law with respect to vagrancy, and told him he knew as well as I did that he had no right to commit that man, and asked him to discharge him. He did discharge him.

He was up against the proposition that he really had to, then. Hoffman was not represented when he was first taken before him.

Then he said to Hoffman, "I want you to understand that you are to get out of the city of Philadelphia and stay out."

I said to him very promptly, "He will not get out. He will not stay out. He works here. He lives here. He is going to stay here. If Your Honor thinks you can do anything about it, you do it." I walked out with him.

MR. HALLEY. Of course, McDevitt could have been assisting Richardson without knowledge of the things about which your client is complaining. McDevitt could have felt he was just doing his duty.

MR. GRAY. He might have. It is a matter of argument.

MR. HALLEY. From the tone of your voice, you don't believe so?

MR. GRAY. I don't think so, no. He was a good lawyer, and he was a good judge from the point of knowledge of the law, and he knew absolutely he had no right to do that.

I can give you another instance which has nothing to do with Philadelphia. There was a man in the numbers game up in Reading, Pa. He came into Philadelphia with his wife, drove in, left his wife off at Wanamaker's, went and parked his car, and was immediately arrested by Richardson's men. I do not know why Richardson's men arrested him at that time. He was taken before McDevitt. He didn't even live in this city. He didn't live in this county. The city and county are coexistent, as you know. He committed him as a vagrant to the house of correction for a year, and I did the same thing with him. I got him out.

I don't even remember that man's name. My file would show it, however.

MR. KLEIN. Would it be Minker?

MR. GRAY. Meeker?

MR. KLEIN. Minker.

MR. GRAY. No; it was not that name.

Senator KEFAUVER. While you are testifying, Mr. Gray, may I ask you to tell us something, or you can get the information for us—

MR. GRAY. I am sorry to have been compelled to go this far. I have no desire to do anything but help the committee, and I thought the first thing I testified to was pertinent.

Senator KEFAUVER. We did not get exactly clear just when it was that Mr. Stromberg came here from Russia, and who he came with. I think he said his parents or his father, and when it was he was naturalized. He told us, but I do not think we got the time and the place.

Mr. GRAY. It would be in your records, and it probably will be in the minutes of the notes taken yesterday. If you will examine it——

Senator KEFAUVER. I do not think the record is quite clear about what year it was when he came here.

Mr. GRAY. I think it is quite clear, if you will allow me.

If you will give me a minute to look at my records, I will tell you what the notes show. Wasn't it quite clear, Mr. Halley?

Mr. HALLEY. Do you have it in your notes?

Mr. GRAY. I think I have.

Mr. HALLEY. I think he said he was naturalized first by virtue of his father's naturalization, and then he took out his own papers.

Mr. GRAY. He came into New York when he was 4 years old, about 1906.

Senator KEFAUVER. Where did he come from in Russia?

Mr. GRAY. I don't think the place he came from in Russia was asked. Then he said he came to Philadelphia in 1930 or 1931, and he said he was a citizen. My notes do not show the time of his naturalization.

Senator KEFAUVER. Will you ask him about that and supply it?

Mr. GRAY. I will be delighted to ask him; and if you desire him to come here and testify, I will be glad to inquire of him as to when. I think he gave his age.

Senator KEFAUVER. Where he came from in Russia, and what particular naturalization matters he went through, and what court it was in.

Mr. GRAY. If you will allow me to make a note of that. Where in Russia he was born, and where and when he was naturalized. Anything else? I will be very glad to do that, Senator.

Senator KEFAUVER. One other question. Do you represent this Captain Elwell who came in yesterday?

Mr. GRAY. I do not represent anybody in this situation except Mr. Stromberg and Mr. Weisberg.

Senator KEFAUVER. Your associate, I believe, said they were his clients and not your clients.

Mr. GRAY. I noticed Mr. Stein here yesterday. Was that some of the police he was representing?

Senator KEFAUVER. Yes.

Mr. GRAY. I haven't seen him since. I haven't had a chance to ask him why he was down here.

Senator KEFAUVER. Anyway, they are his clients, not your clients?

Mr. GRAY. They are his clients if he came here representing them. Our office——

Senator KEFAUVER. Is it a partnership?

Mr. GRAY. I was just going to explain to you. Our office consists of a partnership of myself, Mr. Anderson, Mr. Rome, and Mr. Schaffer. Mr. Stein is employed in our office, but as with all men that I have employed—and for 50 years I never had a partner. We formed a partnership in the summer of 1947. Mr. Stein had been employed by me before. He was employed by the partnership, and has been employed by them ever since. Every man that I ever employed and every man that has worked for the firm, I have always said to them that they have no future in working for somebody else; that I will permit them to have anything in the way of their own practice that

they could get, not interfering, of course, with any of our work, in the expectation of their building up their own practice.

Senator KEFAUVER. The only point is, Is the entire fee his or will you divide it with him?

Mr. GRAY. No. If he represents these people, the entire fee is his. We have no interest in it.

Senator KEFAUVER. That is all I want.

Mr. GRAY. He gets a salary.

Senator O'CONOR. I want to ask the witness, Mr. Weisberg, one or two questions.

Are you familiar with the operations of the Dearest Miss Co.?

Mr. WEISBERG. No.

Senator O'CONOR. Do you know of the existence of it?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. In what cities did it operate?

Mr. WEISBERG. The only city I know is New York City.

Senator O'CONOR. You do not know of any other branches?

Mr. WEISBERG. No, sir.

Senator O'CONOR. You were asked about any record of arrests. Have you been arrested in any other cities other than in Philadelphia?

Mr. WEISBERG. Yes, sir.

Senator O'CONOR. What other cities?

Mr. WEISBERG. I was arrested in New York City, picked up in a restaurant. I think it was in 1946 or 1947.

Senator O'CONOR. On what charge?

Mr. WEISBERG. I will explain it this way—

Senator O'CONOR. I do not want to go into details unless you want to.

Mr. WEISBERG. Suspicion.

Senator O'CONOR. In other words, I do not want to press you on the detail unless you want to volunteer, and I do not want to shut you off. What was the disposition of it?

Mr. WEISBERG. Discharged.

Senator O'CONOR. Just on suspicion? Any other cities?

Mr. WEISBERG. Yes, sir. Baltimore.

Senator O'CONOR. What in Baltimore?

Mr. WEISBERG. I was charged with, I think, suspicion of bombing. They put a charge against me in 1941, I believe, or 1940.

Senator O'CONOR. Were you alone or with others?

Mr. WEISBERG. Arrested?

Senator O'CONOR. Yes.

Mr. WEISBERG. I was arrested alone.

Senator O'CONOR. Were there others jointly accused?

Mr. WEISBERG. Yes. Julius Fink.

Senator O'CONOR. Was he arrested at or about the same time as you?

Mr. WEISBERG. Senator, he was called in. Whether he was arrested or not, I don't know. When I came in, they had him. They brought him in.

Senator O'CONOR. The bombing of what?

Mr. WEISBERG. They claimed a saloon.

Senator O'CONOR. Located where, do you remember?

Mr. WEISBERG. I don't remember. It was more—I will put it this way. I had an automobile, and Fink was riding around in it. They found my automobile there, and, of course, they arrested me.

Senator O'CONOR. At the place of the bombing?

Mr. WEISBERG. The automobile? No. Fink had my automobile. The night it happened, I was there during the daytime.

Senator O'CONOR. What was the disposition of that case?

Mr. WEISBERG. Discharged in front of a magistrate.

Senator O'CONOR. All right.

Have you any other assets or own any property?

Mr. WEISBERG. No, sir.

Senator O'CONOR. You have mentioned about the Cadillac car.

Mr. WEISBERG. Nothing else, sir.

Senator O'CONOR. That is all.

Mr. GRAY. Mr. Stenographer, may I be furnished with a copy of this, the same as I have asked you with respect to Stromberg?

Senator KEFAUVER. May I ask you one other question? You have been asked whether you know Mayor Samuel's son?

Mr. WEISBERG. I don't believe they asked me that.

Senator KEFAUVER. Do you?

Mr. WEISBERG. No, I don't. I never saw him.

Senator KEFAUVER. You never saw him?

Mr. WEISBERG. Personally, never.

Senator KEFAUVER. Did you ever have any business negotiations or transactions with him?

Mr. WEISBERG. No, sir.

Senator KEFAUVER. What would you consider your gross worth today?

Mr. WEISBERG. I refuse to answer that on the grounds it may incriminate me of a Federal offense.

Senator KEFAUVER. That is, how much you are worth, approximately. Do you refuse to answer?

Mr. WEISBERG. I refuse to answer on the grounds it may incriminate me of a Federal offense.

Senator O'CONOR. That is all. That will conclude your testimony.

Mr. GRAY. Both Mr. Stromberg and Mr. Weisberg are to consider they are under subpoena. If counsel will give me notice of the time they want them, they don't need to do anything further. I will produce them.

Senator KEFAUVER. Thank you, Judge.

Senator O'CONOR. Will you be sworn?

In the presence of Almighty God, do you swear that the evidence you will give in this matter will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. NISSLEY. I do.

TESTIMONY OF JOSEPH NISSLEY, SECRETARY OF THE BOARD OF PARDONS, COMMONWEALTH OF PENNSYLVANIA, HARRISBURG, PA.

Senator O'CONOR. Will you be kind enough to state your full name and address and official connection?

Mr. NISSLEY. Joseph Nissley, secretary, board of pardons, Commonwealth of Pennsylvania. My office address is 212 North Third Street, Harrisburg, Pa.

Mr. HALLEY. Did you bring with you certain records pursuant to subpoena of this committee?

Mr. NISSLEY. Not pursuant to the subpoena, but at the request of the attorney general of the Commonwealth of Pennsylvania, who asked me to come and bring the records and cooperate with the committee in any respect.

Mr. HALLEY. I believe you have previously had a conversation with assistant counsel for the committee, who said that a subpoena was ready, but you preferred to bring the records voluntarily, is that correct?

Mr. NISSLEY. That is correct.

Mr. HALLEY. And you have so done?

Mr. NISSLEY. I have so done.

Mr. HALLEY. What records have you produced? Will you turn them over to the committee at this time?

Mr. NISSLEY. I have brought with me the records pertaining to the case of Felix Bacchicchio and Frank Palermo.

Mr. HALLEY. Will you now turn them over to the committee for inspection?

Mr. NISSLEY. I will turn them over to the committee for inspection, but with the understanding that they will be used here, and that I may have them back when I leave. If you wish any information, we will be glad to submit photostatic copies of the information that you tell me you desire.

Mr. HALLEY. You mean you have no objection to the file being photostated, if we need it?

Mr. NISSLEY. We will give you anything you want in photostatic form after you have determined what you wish.

Mr. HALLEY. You simply feel you must keep your original records in your file?

Mr. NISSLEY. That is correct.

Senator O'CONNOR. In other words, anything that is there is available to the committee, and if necessary will be photostated, even by you, in order to supply it?

Mr. NISSLEY. We will photostat it and send it to you.

Mr. HALLEY. May we see the records?

Mr. NISSLEY. Yes.

(Discussion off the record.)

Mr. HALLEY. Will you state what you know concerning the file relating to the pardon of Frank Palermo?

Mr. NISSLEY. Yes; but I will have to have the file to look at.

Mr. HALLEY. May I ask you first, are you personally familiar with that case at all?

Mr. NISSLEY. I was secretary to the board when both cases were heard.

Mr. HALLEY. Would you both briefly describe the file and also, using the file to refresh your recollection, tell the committee about the case?

Mr. NISSLEY. The case of Frank Palermo is our No. 9170, and was heard at the December 1947 session of the Pennsylvania State Board of Pardons. Mr. Palermo was represented by Robert C. Duffy, Esq., of 1224 Lincoln Liberty Building, Philadelphia 7, Pa.

At the time, Mr. Duffy was heard by the full board, then consisting of the attorney general; Daniel B. Striker as chairman, who is a lieutenant governor; Charles M. Morrison, then secretary of the Commonwealth, since deceased; and William S. Livingood, Jr., the secretary of internal affairs.

Mr. Duffy briefly stated the applicant's case, stating that he had been arrested and convicted on two bills of indictment, one for aggravated assault and battery and one for lottery, the aggravated assault and battery, bill No. 748 in the May term, 1928; and the lottery, bill No. 1001, January term, 1934.

Mr. Duffy further stated to the board that he was familiar with Frank Palermo and that he had an outstanding record in Philadelphia and was interested in boys' work; that he was instrumental in starting a boys' club in Philadelphia known as the Crusaders; that he had at his own expense done very charitable work during the war; that he had provided boxing entertainments for members of the Armed Forces in Valley Forge General Hospital, Inglewood General Hospital in Atlantic City, Tilton General Hospital in Fort Dix, Marine Corps League detachments; and that these expenses had cost him a minimum of \$10,000 of his own money, for which he had secured no reimbursement; also that he was the prize-fight manager of Ike Williams, a nationally known fighter; and that he was married and had five children, ages 17, 16, 15, 12, and 11, and desired this pardon in order that his record might be cleared.

At the same time, the board received letters from the Honorable Harry S. McDevitt, since deceased, in which Judge McDevitt stated that he had personally made an investigation of this man's character and found him to be of the highest character, but he stated that—

like men who are engaged in such businesses, he has many enemies, but has never been in any trouble to my knowledge, and I investigated him thoroughly, since 1934.

He further stated in his letter that he has been particularly good to all juvenile activities in Southwest Philadelphia and then went on to state about his connection with fight promoters, and in one paragraph of the letter he stated:

Those who do not like him try to connect him with racketeers like other fight promoters, but I have been unable to find any connection between them.

I think most of the committee is familiar with Judge McDevitt's record in Philadelphia.

They submitted, as part of the record, letters from the Hospital Entertainment Canteen, Inc., thanking him for the services he had rendered. It was signed by Mark Abrahams, vice president, 1600 Walnut Street. A letter from the Evening Bulletin, George T. Eger, promotion director, thanking him for a Fourth of July celebration and the loaning of certain boxing equipment. Letters from the Veterans' Administration, Coatesville, thanking him for a boxing show which he put on for the benefit of the patients there. A letter from the Valley Forge General Hospital thanking him for the boxing show which he put on there. A letter from Judge McDevitt stating his faith in him and thanking him for his kindness to the marines in Roxboro. A letter from Valley Forge for another entertainment that he had put on, another entertainment on December 11. A letter from Tilton General Hospital, Fort Dix, N. J., thanking him for a show he put on. A letter from the Dutch Hellway Detachment of the Marine Corps League thanking him for a show he put on. Another letter from the Tilton General Hospital—in fact, two letters—for two other shows he put on and the entertainment he provided the patients in those hospitals.

The assistant district attorney in Philadelphia, James W. Tracy, attended the sessions of the board of pardons in behalf of the district attorney's office and merely stated his record and stated that they had no objection to the granting of the pardon as prayed for.

The board of pardons thereafter, in executive session, finding that this defendant had not been in any further trouble from 1935 to the time of this hearing, which was in December of 1947, and for the good work he had done for the community in general and for the statements made by his counsel, unanimously recommended that the pardon be granted, a copy of which pardon charter is herewith enclosed.

Senator KEFAUVER. What is the date of the pardon?

Mr. NISSLEY. The date of the pardon is given under the hand of the Commonwealth of Pennsylvania this 14th day of January 1948.

Senator O'CONNOR. Mr. Secretary, there is one matter, while you are here, that might be clarified. I understood you to state that the action was taken in view of the fact that there had been no evidence of violation of law from 1935 until the date—

Mr. NISSLEY. Until the date of this charter.

Senator O'CONNOR. I do note from the record before me that as of March 28, 1937, he was accused of keeping and maintaining a disorderly club in violation of the Liquor Control Act.

Mr. NISSLEY. We had no such record before us—1937—I beg your pardon. Yes. But that was discharged.

Senator O'CONNOR. I understand it was discharged.

Mr. NISSLEY. I failed to look at this criminal record from the department of police.

Senator O'CONNOR. I wanted to clear it up while you were here and available.

Mr. NISSLEY. Yes.

Mr. KLEIN. What is the date of the hearing?

Mr. NISSLEY. I don't know if I have the exact date. It was probably the third Tuesday in December 1947, probably around the 12th or 15th or 16th.

Mr. KLEIN. Was it a public hearing?

Mr. NISSLEY. Yes, sir. All hearings in Pennsylvania regarding pardons and commutations of sentences are public hearings, as required by the Constitution of Pennsylvania.

Mr. KLEIN. Did this application come up on the regular list?

Mr. NISSLEY. It certainly did, sir. We never have any other applications except on the regular list.

Mr. KLEIN. Was the grant of the pardon announced publicly as is generally done?

Mr. NISSLEY. Yes: a letter is sent to the applicant's attorney, and it is publicly announced to the newspapers.

Mr. KLEIN. This pardon was so handled, too?

Mr. NISSLEY. It was so handled. We make no distinction in the handling of any pardons or commutations.

Senator KEFAUVER. Who sentenced him? What was the date of the sentence?

Mr. NISSLEY. The date of the sentence—which bill do you refer to, Senator? There are two bills. I see that the judge was the same on both offenses, according to the application. It was Judge Joseph L. Kun, of Common Pleas Court No. 1.

Senator KEFAUVER. What is the date of the lottery sentence? What was he charged with that he was sentenced on? Assault and battery by fist and brass knuckles?

Mr. NISSLEY. I merely have aggravated assault and battery, but in the prisoner's criminal record from the department of public safety, the bureau in Philadelphia, it says assault and battery and aggravated assault and battery by brass knuckles, September 26, 1928; guilty and 6 months, and to pay costs of \$200.

Senator KEFAUVER. How much time did he actually serve?

Mr. NISSLEY. I do not know, sir, but I presume it was 6 months.

Senator KEFAUVER. He was sentenced to 6 months, but had he actually gotten in jail?

Mr. NISSLEY. The record would disclose if he had not gotten in jail or if the matter had been reduced. I have here that he was sentenced to 6 months and to pay costs.

Mr. KLEIN. May I see that?

Mr. NISSLEY. Just a moment, please.

Yes; he was found guilty on September 26, 1928. It is probably the same record that you have.

Senator KEFAUVER. Did he appeal, or did he go to jail?

Mr. NISSLEY. Evidently he went to jail. There is no record of any appeal.

Mr. KLEIN. Did you get this record from the Philadelphia Police Department?

Mr. NISSLEY. No. We got it from the district attorney's office.

Mr. KLEIN. You got this from the district attorney's office?

Mr. NISSLEY. Yes, sir.

Mr. KLEIN. This is the original of the record that was sent to you on request from the Philadelphia district attorney's office?

Mr. NISSLEY. That is correct.

Senator KEFAUVER. What was the other charge?

Mr. NISSLEY. Lottery, bill 1001, January term, 1934. In that he states:

In this matter your applicant borrowed an automobile to go to the central part of the city. On his way he was stopped by a policeman at Twenty-sixth and Wharton Streets, Philadelphia. The car was searched, and some numbers slips were found underneath the seat. Your applicant denied ownership of these slips but was found guilty by a jury and sentenced to 6 months in the county prison. This sentence was subsequently reduced to 60 days.

He served the 60 days.

Senator KEFAUVER. Here I notice:

October 3, 1933, threat to do bodily harm and threats to kill, Magistrate Connor, no final disposition on record.

Is that in his record?

Mr. NISSLEY. Yes, sir; we had that. That, it turned out, was a political fight between Palermo and Joseph McNamara in the thirty-sixth ward, from our records.

Senator KEFAUVER. Is he on parole or does he have a full pardon?

Mr. NISSLEY. A full pardon, sir.

Senator KEFAUVER. Did he lose any rights to hold office or to hold position by virtue of that conviction?

Mr. NISSLEY. Not in Pennsylvania, sir.

Senator KEFAUVER. Is that a misdemeanor or a felony he was convicted of?

Mr. NISSLEY. Aggravated assault and battery, I believe, is a misdemeanor; and a lottery definitely is.

Senator KEFAUVER. Are you sure about the aggravated assault and battery?

Mr. NISSLEY. I am not. Of course, in 1934—it was under the act of 1860.

Senator KEFAUVER. I am talking about this thing he was convicted of.

Mr. NISSLEY. That is correct, Senator. He was convicted under the act of 1860 of Pennsylvania, which was the criminal code then in force. We have since recodified the law in Pennsylvania, and I am not familiar.

Senator KEFAUVER. He was convicted in 1947?

Mr. NISSLEY. 1937.

Senator KEFAUVER. I am talking about this charge he is supposed to have gone to jail on, 1937 or 1938.

Mr. NISSLEY. 1937—1934, it was. Nineteen hundred and thirty-four, Senator, was the lottery charge, January 16, 1934, when he was sentenced to 6 months on lottery and then reduced to 60 days.

As to the assault and battery, by brass knuckles, that was in 1928.

Senator KEFAUVER. I do not understand how you can get a pardon for something that happened 10 years before. This thing he had been convicted of was 10 years before, was it not?

Mr. NISSLEY. Yes, sir; it was more than 10 years before.

Senator KEFAUVER. How did the thing happen to come up 10 years afterward?

Mr. NISSLEY. He desired to have his record clear, sir, so he presented a petition to us, and on our forms, requesting that he be granted a pardon so his criminal record would be clear in Pennsylvania of these two convictions.

Senator O'CONOR. To the State board, of course?

Mr. NISSLEY. That is correct, sir.

Senator KEFAUVER. All right.

Mr. KLEIN. We have one more.

Mr. NISSLEY. This is the case of Felix Bacchicchio. He was represented by G. Harold Watkins, Esq., before the board. In this case he asked for a pardon for the crime of breaking and escaping prison. This time the application was filed at the March 1949 session of the board of pardons, our No. 9769.

There seems to be a discrepancy in the records here. The front of it says March 1949, but on our other record it says April. In any event, I would say it was at the March session. This other record is probably incorrect.

Mr. Bacchicchio was a resident of the State of New Jersey at the time that he asked for a pardon, and his only conviction in Pennsylvania that was then open on the record was one for escaping penitentiary. He had been charged with the crime of robbery in a hold-up, but while an inmate of the Northumberland County Prison, located in Sunbury, Pa., he had walked out of prison and gone to Baltimore, where he was later apprehended, I believe. I don't exactly know where he was apprehended at the time, but he was apprehended. Yes; he states in his application that he went to Baltimore, Md., where he stayed until he was picked up by the authorities.

He waived extradition, was brought back to Pennsylvania, was tried on the robbery and hold-up, was acquitted of that, but since he had escaped from prison while awaiting trial, was sentenced to a term of 1 to 2 years in Eastern State Penitentiary.

He began the service of his sentence on October 19, 1932. His minimum expired on October 19, 1933. He was on parole until the expiration of his maximum sentence on October 19, 1934. He served his parole without any difficulty, and he was discharged from final parole.

Subsequently, Mr. Bacchicchio settled in Camden County, N. J., and became the manager or financial adviser of the prize fighter known as Jersey Joe Walcott.

At or about the time of the hearing of Bacchicchio before the board of pardons, favorable material in the form of a story had appeared in the Saturday Evening Post. His counsel produced a paper, the Evening Courier, of Camden, N. J., under date of April 19, 1949, in which a column was devoted to "Bacchicchio Seeks Pardon to Become Fight Pilot," in which he pointed out many of the things that Bacchicchio had done and his many acts of charity and contributions to charity in things that he had done for the underprivileged in and about Camden, N. J.

That is where he had his gymnasium, I believe. This article states—
Mr. KLEIN. If we want the article—

Mr. NISSLEY. Yes, we will have it photostated for you. It tells about his many acts of charity for the Sister Kenny Fund and the Crippled Children's Fund and the Wounded Veterans at Tilton General Hospital, and what he has done in his own community.

There is a letter enclosed from the Sacred Heart Church in his own parish, Rev. John P. Fallon, pastor, in which he attests to his fine character in the recent 9 years that he has known him, and he can personally vouch for him.

We received a report from the New Jersey Board of Paroles, in which they testified to his good character, and that he was engaged as president of the Camden Athletic Corp., 220 Market Street, Camden, N. J.; stated where he kept his bank account; and that this information had been received from Municipal Judge John R. DiMona.

Senator O'CONOR. Pardon me. I think at this juncture we might conclude, except that the staff member could go over the record with you.

Mr. NISSLEY. Yes, sir.

Senator O'CONOR. We appreciate your cooperation very much, indeed.

Mr. NISSLEY. That is all right.

(Thereupon, at 12:05 p. m., a recess was taken until 2 p. m., of the same day.)

AFTERNOON SESSION

(The committee reconvened at 2 p. m.)

Senator O'CONOR (presiding). The committee will come to order.

Mr. HALLEY. Will you note on the record that there is introduced in evidence as exhibit No. 3 a photostatic copy of a letter of July 19, 1949, addressed to Mr. Daniel P. Sullivan, and signed by George F. Richardson, assistant superintendent of police, commanding detec-

tive division, bureau of police, Philadelphia, and that is the exhibit to the testimony of Richardson.

(Exhibit No. 3 is included in pt. 1 of the hearings of the committee, as exhibit No. 112, on p. 743.)

Senator KEFAUVER. Let it be noted that the letter to the chairman from Mr. Richardson in response to a letter asking about conditions up here is also made a part of the record at this point and that it is in substance the same as the letter to Mr. Sullivan.

(Off the record.)

Senator O'CONOR. What is your name?

Mr. CAMPBELL. Louis Campbell, Jr.

Mr. SPIEGEL. I am Mr. Spiegel, representing Mr. Campbell in the place of Mr. Gratz.

Senator O'CONOR. Will you kindly raise your hand. In the presence of Almighty God do you swear that the testimony you will give in this matter will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CAMPBELL. I do.

TESTIMONY OF LOUIS CAMPBELL, JR., SPRING CITY, PA., ACCOMPANIED BY ROBERT JOSEPH SPIEGEL, ATTORNEY, PHILADELPHIA, PA.

Senator O'CONOR. Will you state your full name.

Mr. CAMPBELL. Louis Campbell, Jr.

Senator O'CONOR. And your address?

Mr. CAMPBELL. Spring City, Pa.

Senator O'CONOR. And your business or occupation?

Mr. CAMPBELL. At the present time, nothing.

Senator O'CONOR. Where were last employed?

Mr. CAMPBELL. Strunk Steel Co.

Mr. SPIEGEL. Robert Joseph Spiegel, 1421 Chestnut Street, Philadelphia.

Mr. KLEIN. Mr. Campbell, on the 26th of January 1949 you were a stockholder of the Strunk Steel Co.?

Mr. CAMPBELL. Correct.

Mr. KLEIN. How many shares of stock did you hold?

Mr. CAMPBELL. Two thousand five hundred.

Mr. KLEIN. What proportion was that of the total outstanding stock?

Mr. CAMPBELL. A trifle over \$90,000. That was \$25,000.

Mr. KLEIN. You held 10 percent of the stock?

Mr. CAMPBELL. A little better than that.

Senator KEFAUVER. No, wait a minute. \$25,000 you had in it.

Mr. CAMPBELL. That is correct.

Senator KEFAUVER. \$90,000. That would be one-fourth, approximately.

Mr. KLEIN. A little more than a fourth.

Mr. CAMPBELL. That is right.

Mr. KLEIN. Were you owed any money by the company?

Mr. CAMPBELL. \$14,000.

Mr. KLEIN. Is it a fact that you wanted to collect that money?

Mr. CAMPBELL. Yes.

Mr. KLEIN. On or about that time you had some conversations with Mr. William H. Strunk with respect to the sale of that stock?

Mr. CAMPBELL. Well, there was a difference of opinion in business management between Mr. Strunk and myself, and he asked me would I sell my stock. I told him yes. He wanted to know what I wanted for it and I told him exactly what I paid for it, par value.

Mr. KLEIN. What was that?

Mr. CAMPBELL. \$10 a share; in other words, \$25,000.

Mr. KLEIN. Did Mr. Strunk find a customer for you?

Mr. CAMPBELL. That is correct. He introduced me to a man who bought the stock.

Mr. KLEIN. Who was the man who bought the stock?

Mr. CAMPBELL. I think his name is Louis P. Crusco. I am not positive of the "P."

Mr. KLEIN. At any rate, it was Louis Crusco?

Mr. CAMPBELL. That is right.

Mr. KLEIN. Do you know where he came from?

Mr. CAMPBELL. I never saw the man until the day he bought my stock. I think he is a Philadelphian.

Mr. KLEIN. On what day did he buy the stock?

Mr. CAMPBELL. Either the 26th or the 27th of January. If you will let me look at some notes, I can tell you exactly.

Mr. KLEIN. It was the 27th of January.

Mr. CAMPBELL. It was on a Thursday. The 27th I think is right.

Mr. KLEIN. Where did the sale take place?

Mr. CAMPBELL. In the office of the company.

Mr. KLEIN. At Spring City, Pa.?

Senator KEFAUVER. Let him get his notes out.

Mr. CAMPBELL. At Royersford, Pa.

Senator KEFAUVER. The dates are the only thing I am interested in.

Senator O'CONOR. You are at liberty to refer to your notes if you desire.

Mr. CAMPBELL. Thank you. I have some notes here that will give me the dates of these things in sequence correctly.

Senator O'CONOR. Can you give the date?

Mr. CAMPBELL. I will find it in just a second. The 27th.

Mr. KLEIN. How did Crusco pay for his stock?

Mr. CAMPBELL. Mr. Crusco and Miss Arnold, an attorney, were present. I had never seen either of them in my life. I was introduced to them, sitting at a table just about the size of that one. Mr. Strunk said to me, "I understand you are willing to sell your stock."

I said, "Yes; I am."

"How much do you want for it?"

I said, "Par value."

Mr. Strunk said, "Well, here is a man who will buy it."

With that Mr. Crusco got up, and had a bag lying back against the wall. It was a bag just about the size of that thing. It had a zipper across the top. He opened it up and dumped the whole pile of money on the table.

Senator O'CONOR. All currency?

Mr. CAMPBELL. All currency. So he picks up five bundles and takes them over and laid them down in front of me. They were marked \$5,000 apiece. So with that I said to Mr. Strunk, "There are two more shares outstanding that belong to me." A man by the name of Gilbert

had bought them, and he left the employ of the company and went to Florida. The day that he left he came in and wanted to know if the company would buy them back. I told him "No"; the company was not in a position to. Knowing the man, I said, "I will take them." I handed him a \$20 bill. So Bill verified that fact. I am referring to Mr. Strunk.

He said to Mr. Crusco, "You owe him \$20 more."

He reached in his pocket and took out his wallet and handed me a \$20 bill. That is about all there was to the transaction.

Mr. KLEIN. Did Crusco have any more money with him that you saw?

Mr. CAMPBELL. There was \$9,000 still on the table, with which he bought capital stock.

Senator O'CONOR. In addition to the \$25,000?

Mr. CAMPBELL. In addition to the \$25,000; yes, sir.

Senator O'CONOR. Was any explanation given by him as to why he was handling that large sum in currency rather than by check?

Mr. CAMPBELL. No, sir.

Senator O'CONOR. You didn't comment?

Mr. CAMPBELL. I didn't question him, but I questioned myself, to be honest with you.

Senator O'CONOR. You were getting your money for your stock.

Mr. CAMPBELL. That is right. This \$14,000 business, I told Strunk when he asked me if I would sell my stock, I told him "Yes," with the understanding that my loan to the company would be liquidated at the same time. So I immediately questioned him about the \$14,000. They hesitated and he hem-hawed around for a while and they came up with the explanation there was a lot of inventory around that they wanted to liquidate. As soon as it was liquidated, I was to be paid off. As a result, I took a 30-day note for the \$14,000, with the understanding that it would not be renewed.

Well, I took the note to my bank for collection when the 26th of February rolled around it was protested and still stands that way.

Mr. KLEIN. Did Crusco indicate to you that he was acting for himself?

Mr. CAMPBELL. He indicated nothing in that respect at all. It was my understanding that he was; yes, sir.

Mr. KLEIN. You took that money to the bank, did you not?

Mr. CAMPBELL. That same afternoon I called my bank. I was afraid of it, to be honest with you.

Mr. KLEIN. Why were you afraid of it?

Mr. CAMPBELL. I didn't like it. I don't know why a man would carry \$34,000 around with him.

Mr. KLEIN. What denominations were the notes?

Mr. CAMPBELL. They ran anywhere from \$5 bills—there were a few \$500, hundreds, fifties, twenties, and fives.

Mr. KLEIN. Did the bundles bear wrappers?

Mr. CAMPBELL. Some of them were marked Federal Reserve of Philadelphia and some were Corn Exchange of Philadelphia.

Mr. KLEIN. How many were marked Corn Exchange?

Mr. CAMPBELL. That I can't tell you definitely. I don't know.

Mr. KLEIN. That terminated your connection with the company, did it not?

Mr. CAMPBELL. At that time, yes. Later on, in March they had a continued stockholders' meeting and some of the stockholders insisted that I go back with them to the meeting, at which time Mr. Strunk was dismissed as president of the company. Then a little later on I came down here to Philadelphia to Miss Arnold's office to meet Mr. Crusco and the board of directors about the note. Of course, nothing happened at that particular meeting and I agreed to wait until the 1st day of April for payment of that note. Then I was asked to go back on the board of directors, which they elected me back to the board. As a matter of fact, they made me president of the company and chairman of the board. Then at meetings Mr. Crusco agreed that he would put up to and including \$20,000 to match any money that any of the rest of the stockholders might put up to put the company on its feet. After a lot of promises and fussing around, nothing ever happened. That is the gist of the story.

Mr. KLEIN. On the 28th of March, when you went to the meeting in Miss Arnold's office, there were present not only the members of the board of directors but there was also Richard Samuel, Jr.; was there not?

Mr. CAMPBELL. Yes. Richard Samuel, Jr., Miss Arnold. That is the second time I saw Mr. Crusco at that meeting.

Mr. KLEIN. Was Crusco also present?

Mr. CAMPBELL. I think he was; yes, sir.

Mr. KLEIN. Who is Mr. Richard Samuel, Jr.?

Mr. CAMPBELL. He apparently was the mouthpiece for Mr. Crusco.

Senator O'CONOR. Why do you say that?

Mr. CAMPBELL. He came there with a proxy to vote for Mr. Crusco.

Mr. KLEIN. But Mr. Crusco was there, too.

Mr. CAMPBELL. At that time, yes; but in subsequent meetings after that he attended the meetings quite often.

Mr. KLEIN. Who, Richard Samuel, Jr.?

Mr. CAMPBELL. Richard Samuel, Jr., yes.

Mr. KLEIN. At the meeting on the 28th of March Crusco was there and Richard Samuel, Jr., was also there?

Mr. CAMPBELL. I won't be positive about the date of the 28th of March, but I will say the first meeting that was held after the continued stockholders' meeting, which would be about the 28th.

Mr. KLEIN. It was held in the evening; wasn't it?

Mr. CAMPBELL. It was held at 6 o'clock in the evening, as I recall it.

Mr. KLEIN. By the way, will you describe Richard Samuel, Jr.? How old is he?

Mr. CAMPBELL. To the best of my knowledge, he would be about 18 or 20 years of age; short, heavy set.

Mr. KLEIN. A young fellow?

Mr. CAMPBELL. Oh, yes. I don't think he is of age.

Senator O'CONOR. Where have you last seen him?

Mr. CAMPBELL. The last time I saw that boy was, I would say, in the month of May.

Senator O'CONOR. You haven't seen him around today?

Mr. CAMPBELL. No. In the month of May in the company's offices at Royersford.

Senator O'CONOR. He is the son of Richard Samuel, Sr.?

Mr. CAMPBELL. I understand so.

Senator KEFAUVER. We all know who he is.

Mr. KLEIN. Did you ever see Mr. Richard Samuel, Sr.?

Mr. CAMPBELL. No, sir. He was never at any meeting that I was at. However, I understand—wasn't he at the stockholders' meeting in February?

Mr. KLEIN. You tell us.

Mr. CAMPBELL. I don't know. I wasn't there. I was no longer a stockholder. But I think I was told that he was there.

Senator O'CONOR. Did you see him around any of the courts in connection with subsequent proceedings?

Mr. CAMPBELL. Did I see him in the courts?

Senator O'CONOR. Yes.

Mr. CAMPBELL. Mr. Samuels was pointed out to me when this case was supposed to come up last March.

Senator O'CONOR. So you did see him?

Mr. CAMPBELL. I saw him, and I think he is out here today.

Senator O'CONOR. Richard Samuel, Sr.?

Mr. CAMPBELL. Senior, not junior.

Mr. KLEIN. That is all I have, Mr. Chairman.

Senator KEFAUVER. Is that all you know about it? When did you find out who Crusco was?

Mr. CAMPBELL. The day he bought my stock, when I was introduced to him. I never saw the man in my life before.

Senator KEFAUVER. Did you find anything out about him afterward?

Mr. CAMPBELL. A lot of things I couldn't prove, rumors of course, things that you hear on the street. That is all I know about him.

Mr. KLEIN. What have you heard?

Mr. CAMPBELL. Well, it is my impression that he is a gambler.

Mr. KLEIN. A numbers writer?

Mr. CAMPBELL. That is my impression; yes, sir.

Senator KEFAUVER. How was the \$14,000 paid? Was it ever paid?

Mr. CAMPBELL. No. That is still an open book.

Senator KEFAUVER. Did you see the proxy that Crusco gave young Samuels?

Mr. CAMPBELL. I did; and I think it is among the records of the company. Yes.

Senator KEFAUVER. You saw it?

Mr. CAMPBELL. I did; yes, sir.

Senator KEFAUVER. He was there several times representing Crusco?

Mr. CAMPBELL. Yes; at the continued stockholders' meeting.

Senator KEFAUVER. How many times would you say?

Mr. CAMPBELL. Oh, gee, roughly four or five times.

Senator KEFAUVER. What is the business of this Strunk Corp.?

Mr. CAMPBELL. Steel weldings.

Senator KEFAUVER. How big a business, how much sales, in hundreds of thousands of dollars?

Mr. CAMPBELL. Their sales in 1948 were somewhere around between two and three hundred thousand dollars. I can't tell you the exact figure. I don't recall.

Senator KEFAUVER. How many employees?

Mr. CAMPBELL. Their height was about 95.

Senator KEFAUVER. All right.

Mr. KLEIN. One more question. Did you ever have any conversation or did you ever hear of Richard Samuel, Sr., discussing any of the business affairs of this company?

Mr. CAMPBELL. I have never met Mr. Samuel, Sr. Never talked to the gentleman in my life.

Mr. KLEIN. All right.

Senator O'CONOR. Thank you, Mr. Campbell.

Mr. CAMPBELL. You are quite welcome, gentlemen.

Senator O'CONOR. Will you raise your right hand. In the presence of Almighty God, do you swear that the evidence you will give in this matter will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. STRUNK. I do.

TESTIMONY OF WILLIAM M. STRUNK, ROYERSFORD, PA., ACCOMPANIED BY DAVID BERGER, ATTORNEY, PHILADELPHIA, PA.

Senator O'CONOR. Your full name, please.

Mr. STRUNK. William M. Strunk.

Senator O'CONOR. Your address, please.

Mr. STRUNK. 800 Church Street, Royersford, Pa.

Senator O'CONOR. Your business or occupation?

Mr. STRUNK. Superintendent of fabricated steel, Harris Structural Steel, Plainfield, N. J.

Senator O'CONOR. Counsel, will you identify yourself?

Mr. BERGER. My name is David Berger. My office is at 1516 Girard Trust Building, Philadelphia. I represent Mr. Strunk. I may say he is here to cooperate fully with the committee.

Senator KEFAUVER. He looks like the type of man who would cooperate. I hope you don't disappoint us, Mr. Strunk.

Mr. KLEIN. Mr. Strunk, in January 1949 you were president of the Strunk Steel Co.?

Mr. STRUNK. That is true.

Mr. KLEIN. You were one of the principal past stockholders?

Mr. STRUNK. That is true.

Mr. KLEIN. How much stock did you have?

Mr. STRUNK. Between Mrs. Strunk and myself, \$16,000. I had \$15,000 and Mrs. Strunk had \$1,000.

Mr. KLEIN. Out of the total capitalization of \$90,000?

Mr. STRUNK. That is true.

Mr. KLEIN. So you had 20 percent?

Mr. STRUNK. That is right.

Mr. KLEIN. Mr. Campbell has just testified that on the 27th day of January 1949 he sold his stock to Mr. Louis Crusco and that you arranged that transaction. Will you tell the committee about it?

Mr. STRUNK. Yes, sir. Previous to this negotiation, Mr. Campbell and I were not working together; rather, we didn't agree on principles of the company, and things were not going right. It came to such a state that something had to be done. Either he had to get out or I had to get out. I had asked him whether he would sell his stock if I would find a buyer, and he said he would. So I started to interest different parties. I had negotiations with a firm in New York—

Senator O'CONOR. It may be unnecessary to go into all the phases of the unsuccessful connections you made, but just get down to the point.

Mr. STRUNK. I made negotiations with Louis Crusco through Reuben Young, with the Delaware Equipment Co. He suggested Mr. Crusco. Do you want any more details?

Mr. KLEIN. Just the deal.

Mr. BERGER. Exactly how the various individuals came into this picture, including Samuel.

Senator KEFAUVER. That is right. What the inducements were. Reuben Young was with what company?

Mr. STRUNK. Delaware Equipment Co.

Senator KEFAUVER. Were they a customer of yours?

Mr. STRUNK. No. We were a customer of theirs. We bought equipment from them.

Senator O'CONOR. He learned stock was for sale?

Mr. STRUNK. Through conversation with me. He suggested Louis Crusco, and in talking to Mr. Crusco he said, rather, to get back and repeat that: Reuben Young told me that Crusco wanted to get into something legitimate; that he wanted to get out of the numbers racket.

Senator KEFAUVER. Who told you that?

Mr. STRUNK. Reuben Young.

Then I spoke to Crusco. Rather, he brought Crusco to the office of the Delaware Equipment Co. I spoke to Crusco, and he said that he wanted to have Richard Samuel, Sr., look the proposition over. So they made arrangements for me to come to Philadelphia to look over an automatic spraying machine that somebody was demonstrating, to get my opinion of whether it would work, and at the same time he told me that he wanted me to talk to Richard Samuel, Sr., about the sale of the stock. So, we went to the office of Reuben Young, at the Delaware Equipment Co., and I gave him the financial statement which was prepared by Louis Campbell.

Senator O'CONOR. Who did you you meet there?

Mr. STRUNK. Richard Samuel, Sr., Reuben Young, Louis Crusco.

Senator O'CONOR. Is that the first time you had met Louis Crusco?

Mr. STRUNK. No, sir; I met him previous to that.

There were no comments made after the meeting was over, but several days later Reuben Young called me on the phone and said that the deal is on; that Crusco was going to buy it, and Samuel had okayed it. So, on the Tuesday previous to the sale of the stock, or rather the purchase of this stock, which would be the Tuesday previous to January 27, I was requested by Reuben Young to come to Philadelphia and make sure that all the details were right, and when I got there we went to lunch and Louis Crusco told me that he and a group of others were getting the money together. He did not intimate who the others were, but he did say that he was getting the money together and would be up on Thursday to make the settlement.

Mr. BERGER. May I ask a question?

Mr. KLEIN. No.

Senator KEFAUVER. Let him ask one.

Mr. BERGER. Was there any condition put on the transaction with respect to the sale of the stock, having in mind the Samuels?

Mr. STRUNK. That is right. I had forgotten that. On this particular Tuesday at the lunch one of the conditions of the transfer of

the stock was that Richard Samuel's son would be given a job with the Strunk Steel Co. and that, as Richard Samuel was through with his income-tax work on March 15, he was going to work in the office of the Delaware Equipment Co. and secure work for the company on a commission basis.

Senator O'CONOR. Was that fact communicated to Mr. Campbell?

Mr. STRUNK. No, sir.

Senator O'CONOR. So that was entirely between you and the prospective purchasers?

Mr. STRUNK. Yes, sir.

Senator KEFAUVER. I didn't understand that. Who was going to work in the office of the Delaware Equipment Co.?

Mr. STRUNK. Richard Samuel, Sr. I think he was the collector of internal revenue.

Mr. BERGER. You mean, tax assessor, personal-property tax assessment.

Mr. STRUNK. I don't know what his duties were. I don't know the details of it, but by March 15 he would be free.

Mr. BERGER. Was there any condition put on the transaction with respect to Richard Samuel's son? I believe his name is Richard Samuel, Jr. That is it?

Mr. STRUNK. That is true. The conditions were that he was to be given a job with the Strunk Steel Co., which actually transpired.

Senator KEFAUVER. Were those conditions in writing?

Mr. STRUNK. No, sir. They were verbal.

Senator KEFAUVER. I didn't understand about Samuel, Sr. He is the mayor; isn't he? He is the son of the mayor?

Mr. STRUNK. That is right.

Senator O'CONOR. And the other is the son of the mayor.

Mr. STRUNK. That is right.

Senator KEFAUVER. Samuel, Sr., was going to work with the Delaware Equipment Co.?

Mr. STRUNK. He was going to set up sales offices and get municipal work for us to do.

Mr. HALLEY. How did that tie into the Strunk Steel Corp.? I don't get the relationship between the Delaware Equipment and Strunk Steel.

Mr. STRUNK. There is no tie-up. Delaware Equipment is a handler of used and new machinery. We had purchased machinery from them, but we had opened an office immediately upon Crusco's acquiring stock, there was an office opened up in the Delaware Equipment Co. in the name of Strunk Steel, Philadelphia office.

Mr. HALLEY. How was Strunk Steel to benefit from Richard Samuel being in the Delaware?

Mr. STRUNK. Securing of work.

Mr. HALLEY. Who would get the work, Strunk Steel?

Mr. STRUNK. That is right; Strunk Steel Co.

Mr. KLEIN. In other words, the only connection was that you used the offices of the Delaware Steel Corp., Delaware Steel Co., as your headquarters in Philadelphia.

Mr. STRUNK. That is right.

Mr. KLEIN. Strunk Steel headquarters in Philadelphia.

Mr. STRUNK. That is right.

Mr. HALLEY. In other words, Samuel was going to be getting this work for Strunk Steel Co.

Mr. STRUNK. That is right.

Mr. HALLEY. You made fabricated steel, is that right?

Mr. STRUNK. That is right.

Mr. HALLEY. What type, heavy or light?

Mr. STRUNK. Light, mostly of a welded nature, what we call steel weldments.

Mr. HALLEY. What did you supply?

Mr. STRUNK. We were talking of making welded fire plugs and drainage covers, and in subway work there were certain types of work that we would make for subway work, light structural steel.

Mr. HALLEY. Was Samuel to get a commission for any orders he got?

Mr. STRUNK. Yes, sir.

Mr. HALLEY. What arrangement was made?

Mr. STRUNK. Nothing except verbal. There were verbal arrangements that as soon as he could get in that office he was to get 5 percent commission on the jobs he had gotten, that he was instrumental in getting.

Senator KEFAUVER. What else could you make? Welded fire plugs?

Mr. STRUNK. We also made escalators for the Otis Elevator Co. That is the welded trusses for the escalators. We made steel pileates for concrete pipe. A pileate is used in forming the bell on the spigot.

Senator KEFAUVER. Do I understand that these sales were to be directly by the Strunk Steel Co. to the city, or were they to go through the Delaware Equipment Co.?

Mr. STRUNK. No; it would go direct from the Strunk Steel Co. He would be instrumental and act as a salesman.

Senator KEFAUVER. I thought you said he was going to set up business at the Delaware Equipment Co.

Mr. STRUNK. He would set up an office there.

Senator KEFAUVER. Why would he be setting up an office there?

Mr. STRUNK. In the name of Strunk Steel Co.

Senator KEFAUVER. You mean just sharing space?

Mr. STRUNK. That is right.

Senator KEFAUVER. Where did the Delaware Equipment Co. stand to gain anything?

Mr. STRUNK. Rental of their office space.

Senator KEFAUVER. But you did sell the Delaware Steel Co. some equipment also?

Mr. STRUNK. No; they sold us equipment.

Senator KEFAUVER. They sold you equipment. So if you got more business, they got more business.

Mr. STRUNK. That is right.

Senator KEFAUVER. What did they sell you?

Mr. STRUNK. Machinery such as rolls, lathes, machine shop tools.

Senator KEFAUVER. Was that part of the agreement, that you were going to buy all your things from them that you could buy from them?

Mr. STRUNK. Yes, sir.

Senator O'CONOR. What was said by Richard Samuel or in his presence as to how he could procure the business?

Mr. STRUNK. How he could procure the business? He said he was acquainted enough in politics that he thought he could swing these deals.

Senator O'CONOR. Through whom?

Mr. STRUNK. He didn't mention through whom.

Senator O'CONOR. Who did you understand it was to be through?

Mr. STRUNK. Crusco left me under the impression that Richard Samuel, Sr., was well acquainted in politics, and he said through his father and through the purchasing agent they would be able to get the Philadelphia City work.

Mr. KLEIN. You mean the purchasing agent of the city of Philadelphia?

Mr. STRUNK. Yes.

Mr. KLEIN. You knew his father was the mayor of Philadelphia.

Mr. STRUNK. Yes, sir.

Senator O'CONOR. Was that mentioned in the course of negotiations?

Mr. STRUNK. Yes, sir.

Senator KEFAUVER. Did Samuel, Sr., say that too?

Mr. STRUNK. He said that to me.

Senator KEFAUVER. Samuel Senior and Crusco, too, said it?

Mr. STRUNK. That is right.

Mr. HALLEY. In any event, you wouldn't need to have any picture printed when the son of the mayor said he would get contracts from the city, is that right?

Mr. STRUNK. That is right.

Mr. KLEIN. Crusco then met you—

Senator O'CONOR. If you will permit one more question. Was anything said during the conversation as to whether the work would be procured by competitive bidding or otherwise?

Mr. STRUNK. That was never mentioned.

Senator O'CONOR. Was it your understanding that you would get orders without submitting bids?

Mr. KLEIN. Well, that particular phase was never gone into in detail, so I couldn't answer that truthfully. I assume—

Senator O'CONOR. Why would you go to all the trouble that you have indicated you have gone to negotiate the sale for a considerable block of the stock and go into these several successive steps if you were only to be given a chance to bid on work that you might have gotten anyway?

Mr. STRUNK. I assumed from previous business that unless those connections were made, it was hard to get municipal work.

Senator O'CONOR. Didn't you expect if you could make this connection you could get work without bidding on it?

Mr. STRUNK. I expected that; yes.

Senator KEFAUVER. Had you had any business before that time with the city?

Mr. STRUNK. No, sir.

Senator KEFAUVER. You never had been able to get any? Had you tried to get some?

Mr. STRUNK. Shortly after this negotiation was made, I resigned as president of that company. We, however, in the interim secured some business from the Philadelphia—is it Rapid Transit?

Senator KEFAUVER. Before these conversations began you never got any business from the city?

Mr. STRUNK. No, sir.

Senator KEFAUVER. You tried to get some?

Mr. STRUNK. Yes, sir.

Senator KEFAUVER. But you always failed?

Mr. STRUNK. That is right.

Senator KEFAUVER. You figured if you could get some business it would be a good idea?

Mr. STRUNK. Yes, sir.

Senator KEFAUVER. How about the prices? Were you going to lower your prices to get anything from the city or was anything said about keeping your prices at the usual level or higher than the usual level?

Mr. STRUNK. That was not discussed.

Senator KEFAUVER. You were just going to get the business at your price?

Mr. STRUNK. Yes, that is right.

Mr. KLEIN. The deal was then consummated, wasn't it?

Mr. STRUNK. Yes, sir.

Mr. KLEIN. And Mr. Crusco paid for the stock in cash?

Mr. STRUNK. Yes, sir.

Mr. KLEIN. Did he indicate where he got that cash?

Mr. STRUNK. He told me on Tuesday that he was going to get it, but I didn't know it was coming in cash until the day the settlement was made.

Mr. KLEIN. Has he at any time indicated to you that it was anybody else's cash other than his own?

Mr. STRUNK. He had told me verbally on Tuesday previous to the settlement that two or three other persons were in this deal with him, but he did not mention their names.

Senator O'CONOR. You have already testified that the group was getting the money together.

Mr. STRUNK. That is right.

Senator O'CONOR. Wasn't there any indication as to who was included in the group?

Mr. STRUNK. No.

Senator O'CONOR. Or who were the parties?

Mr. STRUNK. No.

Senator KEFAUVER. You assumed it was Samuel, Sr.?

Mr. STRUNK. I was assuming that. I assumed it was Rueben Young, Samuel, Sr. I was assuming it was Miss Arnold, too, the attorney.

Senator O'CONOR. And Louis Crusco.

Mr. STRUNK. And Louis Crusco.

Mr. KLEIN. From what facts or what circumstances did you make that assumption?

Mr. STRUNK. Different remarks that were made during the course of negotiations. Reuben Young had made remarks that he has gone into different deals with Crusco before and he was very enthused about Crusco going into this and getting started. He said I am just as much interested in getting Crusco into a legitimate business as he is.

Mr. HALLEY. Did he say that when Crusco was present?

Mr. STRUNK. Yes.

Mr. HALLEY. Did he say it when Samuel was present?

Mr. STRUNK. No.

Mr. HALLEY. When Samuel, Sr. was present?

Mr. STRUNK. No.

Mr. HALLEY. What is Reuben Young's business?

Mr. STRUNK. As I understand it, he is in partnership trading under the name of Delaware Equipment Co. in the sale of new and used machinery, machine tools, and so forth.

Mr. KLEIN. In addition to the \$25,000 for Campbell's stocks, Crusco also put up \$9,000 for working capital for which he took other stock?

Mr. STRUNK. He bought the balance of the unissued stock.

Mr. KLEIN. Has he ever put any additional money besides that \$34,000 in?

Mr. STRUNK. Not to my knowledge.

Mr. KLEIN. Were there any negotiations later under which he was to put in \$19,000 additional?

Mr. STRUNK. I believe—I can't testify to that exactly. I believe that was suggested after I had left the company.

Mr. KLEIN. Did you in fact open an office in Philadelphia?

Mr. STRUNK. Yes, sir.

Mr. KLEIN. And was Richard Samuel, Jr., placed in charge of that office?

Mr. STRUNK. No, sir. He was a clerk in that office.

Mr. KLEIN. He was the clerk?

Mr. STRUNK. Yes, sir.

Mr. KLEIN. He was employed in the office?

Mr. STRUNK. That is right.

Mr. KLEIN. How long was he employed?

Mr. STRUNK. He was employed as long as I was with the company, which was to the end of March, toward the latter end of March of that same year. After that I don't know. I lost track of everything.

Mr. KLEIN. Do you know whether the company in fact got any orders from the city of Philadelphia?

Mr. STRUNK. During my term there was one order from the transit company.

Mr. KLEIN. Who got that order?

Mr. STRUNK. I took the order, bid on it and got it without competition.

Senator O'CONOR. How much, do you remember?

Mr. STRUNK. Only about a thousand dollars.

Mr. KLEIN. Did Richard Samuel or Richard Samuel, Jr., have any part in obtaining that order?

Mr. STRUNK. Yes, sir.

Mr. KLEIN. What part?

Mr. STRUNK. He is the one that resurrected—rather, brought it to our attention and secured the drawings from the transit company and brought it to me for estimating.

Senator KEFAUVER. Which one, senior or the very young one?

Mr. STRUNK. Junior.

Senator KEFAUVER. Not the 19-year-old boy?

Mr. STRUNK. The 19-year-old boy.

Mr. KLEIN. Do you know whether or not—

Senator KEFAUVER. Have we got the time of that order?

Mr. KLEIN. We haven't yet.

Senator O'CONOR. Subsequent to the transfer of the stock?

Mr. STRUNK. Subsequent to the transfer of the stock?

Senator KEFAUVER. About what time was it?

Mr. STRUNK. During March.

Mr. KLEIN. 1949?

Mr. STRUNK. That is right.

Mr. KLEIN. That is about a month after the stock was purchased.

Mr. STRUNK. About a month and a half. I would say about a month and a half.

Senator KEFAUVER. What was the order for?

Mr. STRUNK. It was some kind of brake shoe for trolleys made out of plates pressed in machines.

Senator KEFAUVER. Brake shoe for trolleys. Is this the thousand-dollar order?

Mr. STRUNK. I can't tell. The order was completed after I left the company.

Senator KEFAUVER. All right.

Mr. STRUNK. My estimate showed it nice and profitable.

Mr. KLEIN. The contract was given at the estimated price, wasn't it?

Mr. STRUNK. That is right.

Mr. KLEIN. Do you know whether or not Bernard Samuel, who was the mayor of Philadelphia, and is the grandfather of Richard Samuel, Jr., is a member of the board of directors of the Philadelphia Transportation Co.?

Mr. STRUNK. I do not know that.

Mr. KLEIN. That is all I have.

Senator O'CONOR. Let me ask this question, Mr. Strunk: On the day of January 27, when the purchase of the stock was consummated and the money paid, did it occasion any surprise or comment that \$25,000 was deposited on the table in currency?

Mr. STRUNK. Yes. It occasioned surprise to me. It occasioned surprise to Mr. Campbell.

Senator O'CONOR. I guess as a very businesslike individual who is accustomed to handle things in the regular way, honorably and above-board, you did think it was a little strange that \$25,000 in bills would be strewn on the table.

Mr. STRUNK. That is right, \$34,000.

Senator O'CONOR. \$25,000, the 25 plus the 9 later. What was said by way of explanation by Mr. Crusco and the others as to why that very large amount was being carried around when a simple check—

Mr. STRUNK. He said for income-tax purposes he didn't want to write out any check.

Senator O'CONOR. For income-tax purposes?

Mr. STRUNK. Yes. He didn't want anybody checking on him.

Senator O'CONOR. Did he say where the currency had been gotten?

Mr. STRUNK. No, sir.

Senator O'CONOR. Or who he was representing if any one else other than himself?

Mr. STRUNK. No.

Mr. KLEIN. But some of these bundles of cash bore the wrappers of the Corn Exchange National Bank & Trust Co.

Mr. STRUNK. I was not familiar, because the closest I came to the money was across the desk.

Mr. KLEIN. You didn't see the wrappers?

Mr. STRUNK. No, sir.

Senator KEFAUVER. Two questions: Why wasn't Mr. Campbell's \$14,000 paid him?

Mr. STRUNK. He was given a note.

Senator KEFAUVER. He said it was his understanding it would be paid right away. He was given a note and it has gotten into litigation in some way.

Mr. STRUNK. That is true. We had the proposed sale of some inventory that didn't materialize. We had a lot of pipe there that we had negotiated to sell, at the last minute the negotiations fell through. We were going to use the money from that sale to pay off his \$12,000 note—\$12,000 is the correct figure. That didn't come through. Before the deal was consummated, right there at the table, I told him exactly what had happened, whether he would accept it before his stock was purchased, and he agreed to do it.

Senator KEFAUVER. Another question: Did you attend some of the stockholders meetings later when Samuel, Jr., came in?

Mr. STRUNK. No, sir.

Senator KEFAUVER. Did you attend those—

Mr. STRUNK. My attorney did.

Mr. BERGER. Not I.

Senator KEFAUVER. Who was your attorney?

Mr. STRUNK. William O'Donnell.

Senator KEFAUVER. Had he been informed that young Samuel came into those stockholders' meetings?

Mr. STRUNK. Yes, sir; with the power of attorney from Crusco, that is what I was informed.

Senator KEFAUVER. Do you know if the company did actually get other orders, other than the thousand-dollar order after you left the company?

Mr. STRUNK. I do not know.

Senator KEFAUVER. Do you have any information about it at all?

Mr. STRUNK. No, sir.

Senator KEFAUVER. How did you happen to get out of the company?

Mr. STRUNK. The stockholders didn't agree with the way I was handling things, and rather than embarrass them, I resigned.

Senator KEFAUVER. Did Crusco vote against you?

Mr. STRUNK. There wasn't any vote to it. I resigned voluntarily.

Senator KEFAUVER. Did he disagree?

Mr. STRUNK. Yes.

Senator KEFAUVER. He and Samuel. Samuel disagreed for him?

Mr. STRUNK. That is right.

Senator KEFAUVER. What did they want you to do that you weren't going to do; Samuel, for instance.

Mr. STRUNK. They claimed I misrepresented the sale of this stock to them, and the condition of the company.

Mr. BERGER. And had you?

Mr. STRUNK. No, sir. I took the report that had been given me.

Mr. BERGER. Had you made any misrepresentations to anybody at all in connection with that company?

Mr. STRUNK. I have not.

Senator O'CONOR. In other words, you relied upon the facts as you knew them and reported to you by the other officers?

Mr. STRUNK. No, sir. Yes, sir.

Senator KEAVER. Have you ever been in any trouble?

Mr. STRUNK. I am under indictment now. I am being sued by Crusco. Campbell and myself are being sued by Crusco.

Mr. BERGER. There are two suits pending. One in civil and the other in criminal. The criminal suit in which I defended Mr. Strunk is an action brought in the quarter sessions court of Philadelphia County with two indictments, one for attempted obtaining money under false pretenses and the second one, conspiracy.

Senator O'CONOR. Growing out of this transaction?

Mr. BERGER. Yes. With respect to that, the case has been continued any number of times, not by my request, by the way. We are very anxious to have the case disposed of. I may say to this committee that I have studied the law with reference to it, and I am satisfied that there is no basis whatever for the charges against Mr. Strunk, particularly in the jurisdictional point, because if any crime had been committed since 1910, the situs would have been in Montgomery County. It is a significant fact that Mr. Strunk was gotten out of his bed in the middle of the night and brought down to Philadelphia County for this prosecution.

Senator KEFAUVER. Who brought him down?

Mr. BERGER. Agents or representatives from Crusco, presumably.

Mr. STRUNK. Two State troopers and the local policeman in my home town.

Mr. BERGER. Mr. Klein might be able to get a copy of the opinion of the Supreme Court of Pennsylvania on the civil suit, in which Chief Justice Drew. I have only an excerpt from it here—

Senator KEFAUVER. We are not interested in the details of the lawsuit.

Mr. KLEIN. Mr. Strunk, I show you here a minute book and I ask you if this is the official minute book of the Strunk Steel Corp.

Mr. STRUNK. Yes, sir.

Mr. KLEIN. I offer this as exhibit No. 4.

Senator O'CONOR. It will be so marked.

(The document referred to is on file with the committee.)

Mr. BERGER. Could we put in the record what Mr. Strunk's background is? You asked the question whether or not he had been in trouble.

Mr. KLEIN. I don't think, Mr. Berger, that we need go into it at all at this time. We have a pretty fair idea.

Mr. BERGER. I wanted you to know he is an employee of long standing of the Bethlehem Steel Co. He is a very responsible and respectable member of the community.

Senator O'CONOR. We assume so and the comments of Senator Kefauver at the outset are evidence of that.

Mr. KLEIN. I think Mr. Berger and Mr. Strunk also know that we have made an exhaustive investigation in that regard.

Senator O'CONOR. Thank you very much, gentlemen.

Mr. STRUNK. I don't know whether it has any value or not, but after I resigned one Sunday Miss Alma Arnold, the attorney representing Mr. Crusco, came to my home. Apparently it was during the time there was another internal battle in the company between Crusco and Campbell. She came to my home and wanted to know whether I would give Crusco a power of attorney for my stock, which would have given him the controlling interest in the Strunk Steel Co. My answer to Miss Arnold was that I will sell the stock, but I won't give

the power of attorney, and if he wants to buy the stock, to see my attorney. Whether that has any bearing or not.

Mr. KLEIN. Will you give us the date of that occurrence?

Mr. STRUNK. I can't give you the exact date. I can give it to you approximately—early in April 1947.

Mr. HALLEY. May I ask one last question: When Reuben Young told you he was very anxious to see Crusco get out of the numbers racket, did Crusco issue any denial that he had been in the numbers racket?

Mr. STRUNK. He left me under the impression, without saying it explicitly, that his son was running it for him at the time.

Mr. HALLEY. You mean Crusco did?

Mr. STRUNK. Yes.

Senator KEFAUVER. We have accounted for about 441 shares of stock. We haven't accounted for the other half. Is it widely held by a number of people?

Mr. STRUNK. Yes; in groups of not over \$500. There would be 500 shares, local citizens in the community.

Senator KEFAUVER. That is all.

Senator O'CONOR. Thank you very much, Mr. Strunk.

What is your name?

Mr. CRUSCO. Crusco.

Senator O'CONOR. Who are the other folks?

Mr. TRASOFF. Gentlemen, we represent Mr. Crusco, Miss Arnold and myself. We happen to be attorneys.

Senator O'CONOR. Will you just pull up another chair there.

Stand up and raise your right hand. In the presence of Almighty God do you swear that the evidence you will give in this matter will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CRUSCO. I do.

TESTIMONY OF LOUIS J. CRUSCO, PHILADELPHIA, PA., ACCOMPANIED BY MISS ALMA ARNOLD AND AARON TRASOFF, ATTORNEYS, PHILADELPHIA, PA.

Senator O'CONOR. What is your full name?

Mr. CRUSCO. Louis J. Crusco.

Senator O'CONOR. And your address?

Mr. CRUSCO. 1334 Shunk Street.

Senator O'CONOR. Will you identify yourselves?

Miss ARNOLD. Alma Arnold.

Mr. TRASOFF. Aaron Trasoff.

Senator O'CONOR. Together you represent Mr. Crusco?

Mr. TRASOFF. Yes.

Senator O'CONOR. What is your occupation?

Mr. CRUSCO. I am in the amusement company, Southside Amusement Co.

Senator O'CONOR. All right, counsel.

Mr. KLEIN. What is the business of the Southside Amusement Co.?

Mr. CRUSCO. What is the business?

Mr. KLEIN. Yes.

Senator KEFAUVER. Speak loudly for Mr. Crusco; he can't hear well.

Mr. KLEIN. What does the Southside Amusement Co. trade in?

Mr. CRUSCO. We have shuffle alleys, pinball machines.

Mr. KLEIN. Coin-operated machines?

Mr. CRUSCO. Yes, sir.

Mr. KLEIN. Are you alone in that business?

Mr. CRUSCO. Yes, sir.

Mr. KLEIN. All alone?

Mr. CRUSCO. Yes, sir.

Mr. KLEIN. How long have you been in that business?

Mr. CRUSCO. Since the beginning of the summer, sir.

Mr. KLEIN. Of 1950?

Mr. CRUSCO. Yes.

Mr. KLEIN. How much did you invest in that business?

Mr. CRUSCO. I invested \$1,825 and \$2,000.

Mr. KLEIN. \$3,825?

Mr. CRUSCO. No. It came to \$4,000 altogether.

Mr. KLEIN. Now in January of 1949 you made another——

Senator KEFAUVER. Excuse me just a minute. Is this the Southside Amusement Co.?

Mr. CRUSCO. Yes.

Senator KEFAUVER. What does this company do?

Mr. CRUSCO. It serves taprooms, clubs, luncheonettes. My first enterprise was the Southside Drive-in.

Senator KEFAUVER. What do you service them with?

Mr. CRUSCO. Sir?

Senator KEFAUVER. What do you service them with?

Mr. CRUSCO. I serve them with tools.

Senator KEFAUVER. Jukeboxes or what?

Mr. CRUSCO. Jukeboxes, pinball machines, shuffle alleys.

Senator KEFAUVER. Coin machines?

Mr. CRUSCO. Coin machines.

Senator KEFAUVER. Roscoe machines?

Mr. CRUSCO. I didn't hear.

Senator KEFAUVER. Roscoe machines?

Mr. CRUSCO. Roscoe.

Senator KEFAUVER. One-arm bandits?

Mr. CRUSCO. No, sir.

Senator KEFAUVER. How many places do you service?

Mr. CRUSCO. I have here now?

Senator KEFAUVER. Just approximately.

Mr. CRUSCO. I have all the stuff here.

Senator KEFAUVER. Let me see that and you go ahead.

Mr. CRUSCO. The first page.

Mr. KLEIN. In January 1949 you made another investment in the Strunk Steel Co.?

Mr. CRUSCO. Yes, sir.

Mr. KLEIN. Will you tell the committee how you came to make that investment?

Mr. CRUSCO. Yes; I will tell you the whole truth.

In the fall of 1948 I met a man by the name of Mr. Strunk, a man who would go to your heart, believe me. He had been around, went to dinner and you look to a man, the president of a steel corporation. I believe you saw the gentleman, and I think he would go to anyone's heart. So I was doing little good deeds, different architects to get

structural steel. So in those good deeds he said to me, "I am going to have you alongside of me." I said, "Bill, what can you do for me?"

He said, "Some day I am going to have you something, but it is a secret."

So that kept on and on for about 3 or 4 weeks. So he comes along and says, "I have the right proposition for you. You know, I love you alongside of me. You have wonderful ideas," and so on like that. He said, "How about your coming in our company?"

I said, "How could I come in your company?"

He said "I will tell you: We have a man by the name of Mr. Campbell, Louis Campbell, Jr. He wants to retire. He wants to go to California. He is sickly. He wants to go out of the business."

So I said, "What is the inducement?"

He said, "I will tell you, I will bring the paper around, I will show you, there is no flim-flam here or nothing like that. I love you."

So all right. He brought a paper, a run-down sheet of the company. It showed it was August 31, 1948. I said, "Bill," I says, "this is at the end of December. Why is it you don't have it to date?"

He said, "I am not a college education fellow. I am a man," he says, "education I don't have like you have."

Mr. KLEIN. At any rate you wanted a later statement.

Mr. CRUSCO. Yes. He said, "Look, Louis, I am going to tell you the truth. As sure as my boy is in Heaven," he said, and tears came down his eyes, and he would say his boy got killed in the Air Force.

Mr. KLEIN. Mr. Crusco, may I interrupt you for a second. We are running late and we would like some of the details eliminated.

Mr. CRUSCO. I am telling you the story as it happened. I can tell it to you 100,000,000 times—

Mr. KLEIN. Go ahead, but make it a little bit briefer.

Mr. CRUSCO. I didn't care if he fooled me. He fooled my surroundings. That is what he did.

Senator O'CONOR. What did you do then? Did you decide to buy?

Mr. CRUSCO. No. I asked him that. He said "Look, Louis, our accountant had a tumor operation, and his operation was very successful, and he is going to be back," he said "to make up the statements in March. You don't have to be afraid."

He said, "We have a contract with the United States Navy." He said "Not only one, but four all told."

Senator O'CONOR. So then did you decide to buy the stock?

Mr. CRUSCO. No; I didn't. I didn't know. I didn't even know where the place was. I didn't know from nothing.

Senator O'CONOR. When did you decide to buy it?

Mr. CRUSCO. He called—

Senator O'CONOR. No; when did you decide?

Mr. CRUSCO. I tell you what happened if you will give me—

Senator O'CONOR. But when are you going to come down to the point, when did you decide to buy the stock?

Mr. CRUSCO. When I went to Royersford I mean they told me to bring the cash up there, absolutely cash. The 27th, on a Thursday.

Senator O'CONOR. And where did you get the cash?

Mr. CRUSCO. I got that all loaned.

Senator O'CONOR. All?

Mr. CRUSCO. The money is all loaned from friends of mine, from bars, my mother-in-law, my mother.

Senator O'CONOR. You got it from different places?

Mr. CRUSCO. That is right.

Senator O'CONOR. You got it from different places?

Mr. CRUSCO. Yes, sir.

Senator O'CONOR. Did you take any out of the bank?

Mr. CRUSCO. I didn't have any money in the bank.

Senator O'CONOR. So it was all borrowed from different people?

Mr. CRUSCO. That is right, sir.

Senator O'CONOR. It wasn't wrapped together in any way?

Mr. CRUSCO. What do you mean, sir?

Senator O'CONOR. There wasn't any in a pile with wrappers on it?

Mr. CRUSCO. No, no.

Senator O'CONOR. Just picked up from different people?

Mr. CRUSCO. I just picked up money. As sure as God is my judge, they had rubber bands on them.

Senator O'CONOR. How much altogether?

Mr. CRUSCO. It was \$34,000 they wanted. Then Mr. Campbell raised up and he said, "Don't forget, Bill, I have two more shares which I bought from one of the workers. It will be another \$20."

Senator O'CONOR. So you put that up too?

Mr. CRUSCO. Yes.

Senator O'CONOR. So altogether you put up \$34,020?

Mr. CRUSCO. Yes, sir.

Senator O'CONOR. You got that cash from——

Mr. CRUSCO. From different people.

Senator O'CONOR. Who? Give us the names.

Mr. CRUSCO. I will give you the names.

Senator O'CONOR. And the amounts.

Mr. CRUSCO. I have a book here if you like.

Senator O'CONOR. Just tell us the amounts that you got.

Mr. CRUSCO. My mother——

Miss ARNOLD. May he refer to his book?

Mr. CRUSCO. My mother and dad gave me \$5,000.

Senator O'CONOR. In cash?

Mr. CRUSCO. Yes, sir. I got more money than that, you see.

Senator O'CONOR. They gave you \$5,000.

Mr. CRUSCO. He didn't know how much.

Senator O'CONOR. In other words you got more than \$34,000?

Mr. CRUSCO. Yes.

Senator O'CONOR. How much altogether did you get?

Mr. CRUSCO. I got \$40,000.

Senator O'CONOR. In other words, you had \$40,000 so as to be ready to pay whatever was necessary?

Mr. CRUSCO. Yes.

Senator O'CONOR. You have \$5,000 from your mother and father. What are their names?

Mr. CRUSCO. My mother and dad? Vincent Crusco, Rosemarie Crusco.

Senator O'CONOR. Address?

Mr. CRUSCO. 1331 Morris Street.

Senator O'CONOR. That is \$5,000. Now next, what is the next one?

Mr. CRUSCO. Vincent Cerone, godfather, stood for my boy, Vincent Cerone.

Senator O'CONOR. How do you spell his name?

Mr. CRUSCO. C-e-r-o-n-e.

Senator O'CONOR. And his address?

Mr. CRUSCO. 420 Whitehorse Pike, Audubon, N. J.

Senator O'CONOR. He gave you how much?

Mr. CRUSCO. He gave me \$4,000.

Senator O'CONOR. All right. Next?

Mr. CRUSCO. A gentleman by the name of Bill Fitzpatrick.

Senator O'CONOR. Address?

Mr. CRUSCO. Fitzgerald. I am sorry.

Senator O'CONOR. Fitzgerald. His address?

Mr. CRUSCO. His address is in Ashland, N. J.; no address at all, just a little community.

Senator O'CONOR. How much did he give you?

Mr. CRUSCO. He gave me \$2,000.

Senator O'CONOR. The next?

Mr. CRUSCO. Mr. Reuben Beckler.

Senator O'CONOR. And his address?

Mr. CRUSCO. It is in Cleveland, Ohio.

Senator O'CONOR. How much?

Mr. CRUSCO. \$3,000.

Senator O'CONOR. Next?

Mr. CRUSCO. Thomas DiGiacomo.

Senator O'CONOR. What is his address?

Mr. CRUSCO. His address is in Glen Rock, N. J.

Senator O'CONOR. How much did you get from him?

Mr. CRUSCO. He gave me \$3,000.

Andrew, his brother-in-law, Andrew DiCarlo.

Senator O'CONOR. What is his address?

Mr. CRUSCO. I don't know his address. I have it in the book. Paterson, N. J.

Senator O'CONOR. How much from him?

Mr. CRUSCO. \$3,000 off him.

Senator O'CONOR. Do you have all these listed?

Mr. CRUSCO. Yes.

Senator O'CONOR. You can look at your book.

Mr. CRUSCO. Yes, indeed. That is what my wife had. My mother-in-law also gave me \$20,000.

Senator O'CONOR. That is Mrs. Angelina——

Mr. CRUSCO. Scannapieco.

Senator O'CONOR. Scannapieco.

That is 1528 North Dover Street in Philadelphia.

Mr. CRUSCO. Yes. She is a widow.

Senator O'CONOR. \$20,000 from her. All of this was gotten in cash?

Mr. CRUSCO. That is right. He didn't want no check, absolutely didn't want no check.

Senator O'CONOR. Mr. Strunk told you that?

Mr. CRUSCO. That is right.

Senator O'CONOR. Mr. Crusco, this book you have just produced gives the names and addresses of the different people who you said loaned you the money with which you bought this stock?

Mr. CRUSCO. That is right.

Senator O'CONOR. Altogether it shows a total of \$40,000 of which you gave \$34,000 and then you gave your wife the balance of \$6,000?

Mr. CRUSCO. Yes, sir. I have some other notation there if you want to see it.

Do you want me to finish?

Senator O'CONOR. Yes. Go ahead.

Mr. CRUSCO. When we were at the table just like here, sir, believe me it is just the same, identically like that, Mr. Strunk was there—you see I have a bad ear, two bad ears. One is better than the other, you see. I am ashamed to wear a hearing aid. Mr. Campbell was there, Miss Arnold was there, and Mr. Strunk was sitting where you are. So I said to Mr. Strunk, I said "Mr. Strunk, maybe we can get them cheaper."

He said "You can ask them," like he didn't hear, you see. So I spoke to Mr. Campbell and I said, "Mr. Campbell, you seem to be a fine gentleman. Why is it you want to get out of this?"

He said, "Well, Mr. Strunk told you I want to get out, I want to retire. I am on the board of directors of two banks. I also have another plant. What do I want to be, the richest man in the cemetery and give Uncle Sam 85 percent?"

He said, "I want to retire. I want to go out in the Southwest." He said, "That money is only peanuts to me," just like that.

I said "That is very nice of you. If you want to be a good Samaritan, what do you say? This is all borrowed money"——

Senator O'CONOR. In other words, you told them at the time it was borrowed money?

Mr. CRUSCO. Yes.

Senator O'CONOR. Did you tell them from whom you had borrowed it?

Mr. CRUSCO. No; I didn't. I didn't; no. He said, "Oh, no. Those stocks are worth more today," he said, "than August 31, 1948."

He said "You don't realize what you are getting into." He said the same things that Mr. Strunk said. You see, everything collared together. If I tell you a word of lie, I have eight children, and lost one with rheumatic fever, I had one boy's spleen taken out. I wouldn't lie. That is what they did to me. On February 21 they made me open up an office at 124 North Third Street. They told me I had connections. I didn't see no books. Pardon me. I am running away from my story.

The next day on a Friday I report to work. I didn't hear no noise. There is a gigantic shop. I don't hear nothing. So Bill came in there. I said "What happened, Bill, no work today?"

Senator O'CONOR. Bill?

Mr. CRUSCO. Mr. Strunk. I said "Bill, no work today?" He said "No," he says, "Louis, we are all overjoyed. We are tickled to death you are in the company." I said all right. So what was I going to say? On the following Monday I go in the shop, no books. I am supposed to be vice president and treasurer of the company. I don't see no books. I don't see nothing. They are still waiting for the accountant to come in, the man who is sick. So he takes me out into the town and makes me meet the people next door and the people alongside of him and people on the corner, fine people, very nice people. They wished me luck and all that stuff. He told me he was going to move, the next door neighbor was going to give them more ground for their

job for the Navy, which was good. He insisted, still insisted on February 21 on that board of directors meeting—

Senator O'CONOR. Did you attend the board of directors meeting?

Mr. CRUSCO. Yes, sir; I was invited there; yes, sir.

Senator O'CONOR. Did you ever give anybody power of attorney?

Mr. CRUSCO. Power of attorney?

Senator O'CONOR. Power of attorney, yes. Did anybody represent you at any time at the board of directors meeting?

Mr. CRUSCO. The only time when they represented me is when the money was passed.

Senator O'CONOR. Who represented you?

Mr. CRUSCO. Miss Arnold.

Senator O'CONOR. Did anybody else cast your vote at the board of directors meeting?

Mr. CRUSCO. No. They said they didn't come—you see they wanted to raise \$50,000, and I was shocked. I couldn't talk. It is just like you take a loaf of bread and try to swallow it at one time. So I wanted to get up and Mr. Wagner, his attorney was alongside of me and said sit down. We are not through. Mr. Young and Mr. Samuel, he was shocked.

Senator O'CONOR. Who is Mr. Young?

Mr. CRUSCO. Reuben Young. He is the gentleman that I met at 124 North Third Street.

Senator O'CONOR. He is the gentleman you met whom through?

Mr. CRUSCO. Mr. Strunk.

Senator O'CONOR. Mr. Young introduced you to Mr. Strunk?

Mr. CRUSCO. That is right.

Senator O'CONOR. And how long have you known Mr. Young?

Mr. CRUSCO. Mr. Young, I have known him for about a year or a year and a half.

Senator O'CONOR. Any business dealings with him?

Mr. CRUSCO. Why, yes. I buy scrap, war assets stuff at that time.

Senator O'CONOR. What business were you in?

Mr. CRUSCO. At this time I was buying different stuff like wire, scrap—

Senator O'CONOR. How long had you been in that business?

Mr. CRUSCO. I have been in it since 1947.

Senator O'CONOR. Was that the only business you were in?

Mr. CRUSCO. No, sir.

Senator O'CONOR. What other business?

Mr. CRUSCO. I am not ashamed to say I have been a carpenter. I couldn't do no more carpenter work. I had an operation in my arm. I couldn't handle any tools. Part of it is paralyzed.

Senator O'CONOR. What other business?

Mr. CRUSCO. I was in the gambling business in a very small way.

Senator O'CONOR. For what period?

Mr. CRUSCO. Since the depression.

Senator O'CONOR. When did you first go into the gambling business?

Mr. CRUSCO. I was in it I believe in the early part of 1935.

Senator O'CONOR. And how long did you stay in it?

Mr. CRUSCO. I was arrested and they scared the heck out of me and I got 2 years probation.

Senator O'CONOR. How long did you stay? When did you stop?

Mr. CRUSCO. I stopped. You have got eight kids around you—

Senator O'CONOR. When?

Mr. CRUSCO. Right there at the end of 1935 on my probation.

Senator O'CONOR. Have you been in the gambling business since then?

Mr. CRUSCO. No.

Senator O'CONOR. What kind of gambling were you in?

Mr. CRUSCO. I was writing little numbers.

Senator O'CONOR. What territory did you cover?

Mr. CRUSCO. I went to my own kind. We have a big family, aunts, uncles, and stuff.

Senator O'CONOR. What was the amount?

Mr. CRUSCO. It ran about \$25 or \$26 a day. It was just enough to buy bread.

Senator O'CONOR. Who were you in business with, gambling business?

Mr. CRUSCO. By myself. I handled it all myself.

Senator O'CONOR. You want the committee to believe you haven't been in the gambling business since 1935?

Mr. CRUSCO. No. I am not saying that. So in that time between 1935 and 1937 I sold coffee, I sold tea, I sold butter, I sold eggs. When I would get to a customer, well, give him maybe a dozen eggs.

Senator O'CONOR. And write numbers too?

Mr. CRUSCO. No; I couldn't. I was afraid.

Senator O'CONOR. Did you go in the gambling business after that?

Mr. CRUSCO. So they trusted me and would say I will give it to you next week and next week and next week. So I didn't do so good. I sold my boy's insurance, the one the spleen was taken out of.

Senator O'CONOR. When did you go in the gambling business again?

Mr. CRUSCO. In 1938.

Senator O'CONOR. How long did you stay in it?

Mr. CRUSCO. I only stayed in to the end of 1946.

Senator O'CONOR. 1946?

Mr. CRUSCO. Yes, sir.

Senator O'CONOR. You were in from 1938 to 1946, doing what?

Mr. CRUSCO. Just writing a book of my own.

Senator O'CONOR. A book. Race bets?

Mr. CRUSCO. No, no; just numbers.

Senator O'CONOR. What was the amount? What was the average?

Mr. CRUSCO. It varied. On Mondays probably it would go about \$21.

Senator O'CONOR. What would you average a week?

Mr. CRUSCO. My make?

Senator O'CONOR. Yes.

Mr. CRUSCO. I would average around about \$35 or \$40 a week.

Senator O'CONOR. Who did you bank with?

Mr. CRUSCO. Huh?

Senator O'CONOR. Who did you bank with?

Mr. CRUSCO. Bank?

Senator O'CONOR. Yes. Who did you write with?

Mr. CRUSCO. I wrote myself; just myself.

Senator O'CONOR. Were you tied in with anybody else?

Mr. CRUSCO. No, sir.

Senator O'CONOR. How many times were you arrested?

Mr. CRUSCO. I was arrested just that time and before that, but they never—you know what I mean—got me with anything. So in 1935 they got me right.

Senator O'CONOR. You stayed in it from 1938 to 1946. How many times in that 8-year period were you arrested?

Mr. CRUSCO. I was arrested, somebody said it was my name; it wasn't. I was brought in. To match my name, Truscott. It wasn't Crusco. They made me appear in front of the man, and the man said, "No; that is not him." There was nobody there. There were three or four men.

Senator O'CONOR. You got along pretty well in the 8 years without being arrested very much.

Mr. CRUSCO. No, sir. The only time I did get arrested was in 1935.

Senator O'CONOR. Did you pay off any of the police?

Mr. CRUSCO. No, sir. I couldn't afford it.

Senator O'CONOR. You didn't have to do it?

Mr. CRUSCO. Which?

Senator O'CONOR. Pay off anybody.

Mr. CRUSCO. I was very cautious.

Senator O'CONOR. After 1946 what did you do?

Mr. CRUSCO. Then I went into commission salesman, buying this and buying that.

Senator O'CONOR. Is that what you call yourself, commissioner?

Mr. CRUSCO. No. I was a merchant, a commission merchant. Say, for instance, I would sell a piece of machinery like wood-working machinery—

Senator O'CONOR. Are you licensed as a broker of any kind?

Mr. CRUSCO. No. I was a street man.

Senator O'CONOR. Have you been doing any gambling business since 1946?

Mr. CRUSCO. No, sir.

Senator O'CONOR. You tell the committee, you swear, that you haven't been engaged since 1946?

Mr. CRUSCO. Since 1946.

Senator O'CONOR. At any time was anybody else interested in your gambling business at any time?

Mr. CRUSCO. No, sir.

Senator O'CONOR. What moneys, if any, did you pay to anybody else for protection to let you go?

Mr. CRUSCO. I paid no one, believe me, sir. I have eight children.

Mr. KLEIN. Mr. Crusco, did you ever live at 2517 South Juniper Street?

Mr. CRUSCO. Yes, sir.

Mr. KLEIN. Were you arrested on May 17, 1930, at 2517 South Juniper Street for setting up and maintaining an illegal lottery?

Mr. CRUSCO. I was arrested?

Mr. KLEIN. Yes, sir.

Mr. CRUSCO. May 30?

Mr. KLEIN. May 17, 1930. You were tried on October 24, 1930, by Judge Barnett, found guilty, and you paid a \$25 fine and costs. Is that correct?

Mr. CRUSCO. Would you mind telling me who was the attorney there?

Mr. KLEIN. I don't know who the attorney was.

Mr. TRASOFF. He has no clear recollection of it.

Mr. KLEIN. Were you arrested on the 1st of October 1938 at 1334 Shunk Street and charged with operating a disorderly house and writing numbers?

Mr. CRUSCO. In my home, 1334 Shunk Street?

Mr. KLEIN. That is correct.

Mr. CRUSCO. No.

Mr. KLEIN. You were tried before Judge Leaventhal; you pleaded guilty and were given 2 years' probation and paid the costs.

Mr. CRUSCO. 1935?

Mr. KLEIN. 1938.

Mr. CRUSCO. No. Two-year probation?

Mr. KLEIN. That is right. Were you arrested on August 9, 1949, at 1334 Shunk Street and charged with setting up and maintaining an illegal lottery and discharged by Magistrate Medway? Yes or no, or don't you remember?

Mr. CRUSCO. Yes; I think you are right there.

Mr. KLEIN. Were you arrested on the 19th of March 1941, charged with setting up and maintaining an illegal lottery, and discharged by Magistrate Williams?

Mr. CRUSCO. That is the one with Magistrate Williams——

Mr. KLEIN. You admit that?

Mr. CRUSCO. No; I didn't.

Mr. KLEIN. That is the one that was the false name?

Mr. CRUSCO. That is right.

Mr. KLEIN. Were you arrested on November 8, 1945, at 1334 Shunk Street and charged with setting up and maintaining an illegal lottery and discharged by Magistrate O'Malley?

Yes or no, or don't you remember?

Mr. CRUSCO. Yes; that is right. That was, the identification was wrong also.

Mr. KLEIN. That is the one that the identification was wrong also, you say. That is the one where the identification was wrong?

Mr. CRUSCO. That is the one where the identification was wrong.

Mr. KLEIN. That was the only one time when the identification was wrong?

Mr. CRUSCO. This one here.

Mr. KLEIN. The last one?

Mr. CRUSCO. What year was that, Chief?

Mr. KLEIN. November 8, 1945. So from May 1930 to November 1945 you were arrested five times, but once you say was an improper identification. Is that right?

Mr. CRUSCO. That is right.

Mr. KLEIN. All right.

Senator KEFAUVER. I thought he said a minute ago that from the time he went back into the gambling business in 1938 he never had been arrested except once.

Mr. CRUSCO. In 1935.

Senator KEFAUVER. Do you admit all these arrests when you told us a minute ago that you——

Mr. CRUSCO. I don't remember.

Senator KEFAUVER. Ah, Mr. CRUSCO.

Mr. CRUSCO. You have got that all mixed up.

Senator KEFAUVER. What is the big idea coming here and telling the committee you haven't been arrested from the time you got on probation on up until you quit gambling in 1945 except one time when they had a wrong identification, and here are all these times?

Mr. CRUSCO. This here, Your Honor; look at this. It was never in my home, believe me.

Senator KEFAUVER. We are not asking whether it is in your home. We are asking whether you were arrested or not and what happened, and you denied it. Here you are October 1, 1938, arrested at 1334 Shunk Street and charged with operating a disorderly house, numbers. Adding machines and telephones were confiscated. Held for court by Magistrate Henry on bail of \$1,000.

February 14, 1939, was tried by Judge Leventhal, pleaded guilty. Two years' probation and costs. Is that the time you got 2 years' probation?

Mr. CRUSCO. I don't remember, believe me, honestly I don't remember.

Mr. TRASOFF. If you don't remember, say so, but don't make any statements that you are not sure of.

Mr. CRUSCO. I have been in the hospital.

Mr. KLEIN. Mr. Crusco, did you bring your income-tax returns?

Mr. CRUSCO. Yes, sir.

Mr. KLEIN. May I see them, please?

(Documents produced by the witness.)

Mr. HALLEY. Do you have a bank account?

Mr. CRUSCO. No, sir.

Mr. HALLEY. Have you ever had one?

Mr. CRUSCO. I have one now.

Mr. HALLEY. You do?

Mr. CRUSCO. Yes.

Mr. HALLEY. Do you have your bankbook here with your bank statement?

Mr. CRUSCO. Checks?

Mr. HALLEY. Is that the only bank account you have?

Mr. CRUSCO. Yes.

Mr. HALLEY. What bank is it?

Mr. CRUSCO. The Central Bank.

Mr. HALLEY. When did you open that account?

Mr. CRUSCO. I opened up in the early part of the summer.

Mr. HALLEY. This year, this summer?

Mr. CRUSCO. The early part of the summer.

Senator O'CONOR. Do you own any other property?

Mr. CRUSCO. No, sir.

Senator O'CONOR. In that connection, do you own your home?

Mr. CRUSCO. Yes.

Senator O'CONOR. How much is it worth?

Mr. CRUSCO. It was worth—when I bought it, I bought it for \$3,200.

Senator O'CONOR. You say you are only making a small amount, a little amount all this time. You didn't ever make a great deal of money?

Mr. CRUSCO. No.

Senator O'CONOR. What kind of automobile have you been driving?

Mr. CRUSCO. Well, I had a used—I sold my Chrysler.

Senator O'CONOR. What kind of a car have you now?

Mr. CRUSCO. A Cadillac.

Senator O'CONOR. What is the value of it?

Mr. CRUSCO. \$4,500.

Mr. HALLEY. What year?

Mr. CRUSCO. 1948.

Senator KEFAUVER. Did you buy it new?

Mr. CRUSCO. I bought it new; yes, sir.

Senator O'CONOR. Is anybody else interested in the stock, or do you own it all?

Mr. CRUSCO. I was in good faith; the story got——

Senator O'CONOR. No, no. Just did anybody else have any interest in that stock that you bought?

Mr. CRUSCO. No. I have.

Senator O'CONOR. Does anybody else own any part of it?

Mr. CRUSCO. Mr. Campbell's?

Senator O'CONOR. The stock that you got, or do you own it all?

Mr. CRUSCO. I own it.

Senator O'CONOR. Do you?

Mr. CRUSCO. Yes, sir.

Senator O'CONOR. You bought it all. Do you know Mr. Samuel?

Mr. CRUSCO. Yes, sir. I have known him for 20 years.

Senator O'CONOR. Do you know his son?

Mr. CRUSCO. I don't mean Mr. Samuel. Which?

Senator O'CONOR. Which did you mean?

Mr. CRUSCO. I meant junior. I mean senior. There are two of them.

Senator O'CONOR. You know both of them then?

Mr. CRUSCO. Yes, Senator. That is Bernard, the dad, and Richard is the son.

Senator O'CONOR. Have you had any business dealings with either of them?

Mr. CRUSCO. No, sir.

Senator O'CONOR. You never had any business dealings with them of any kind at all?

Mr. CRUSCO. No, sir.

Senator O'CONOR. With Mr. Richard Samuel, Senior or Junior?

Mr. CRUSCO. Senior.

Senator O'CONOR. You never had any business dealings with Mr. Richard Samuel, Jr.?

Mr. CRUSCO. No. I had only one dealing. I borrowed \$1,825 to buy the machines for the drive-in.

Mr. HALLEY. Did you ever have a bank account before this one?

Mr. CRUSCO. No, sir; I never did.

Mr. HALLEY. You did all your dealing in cash?

Mr. CRUSCO. Yes, sir.

Mr. HALLEY. Where did you get the money for the Cadillac?

Mr. CRUSCO. I got it from my wife.

Mr. HALLEY. She gave it to you?

Mr. CRUSCO. That is right. She bought it.

Mr. HALLEY. In cash?

Mr. CRUSCO. That is right. I had another car turned in on it.

Mr. HALLEY. Does your wife have a bank account?

Mr. CRUSCO. No, sir. Her mother gave it to her. Her father passed away.

Mr. HALLEY. When did her father pass away?

Mr. CRUSCO. 1937.

Mr. HALLEY. Is her mother a wealthy woman?

Mr. CRUSCO. Not wealthy. Her husband had a barber shop at Fifteenth and Samson.

Mr. HALLEY. Did he leave a lot of insurance?

Mr. CRUSCO. No. There wasn't much insurance, but it was in cash. He had saved it in between themselves.

Mr. HALLEY. How much cash did it take to buy the Cadillac?

Mr. CRUSCO. \$4,500.

Mr. HALLEY. Plus your old car?

Mr. CRUSCO. That is right.

Mr. HALLEY. What kind of Cadillac is it?

Mr. CRUSCO. Fleetwood.

Mr. HALLEY. A Fleetwood.

Mr. CRUSCO. Yes.

Mr. HALLEY. Seven-passenger?

Mr. CRUSCO. No; five-passenger.

Mr. HALLEY. Model 62?

Mr. CRUSCO. No, 60-S.

Mr. HALLEY. You paid \$4,500 plus your old car?

Mr. CRUSCO. That is right.

Mr. HALLEY. You delivered the \$4,500 in cash?

Mr. CRUSCO. No; I didn't. I didn't have all the money, so he made an encumbrance on it, and then I got the money and he signed it.

Mr. HALLEY. How long did it take you to pay the \$4,500?

Mr. CRUSCO. That was about—I don't remember.

Mr. HALLEY. More than 2 months?

Mr. CRUSCO. That I couldn't say.

Mr. HALLEY. Six months?

Mr. CRUSCO. Maybe it could be sooner. I don't know.

Mr. HALLEY. What was the problem about getting all the cash?

Mr. CRUSCO. To get the money off my wife.

Mr. HALLEY. Did your wife have it, or was it her mother's money?

Mr. CRUSCO. It was her mother's.

Mr. HALLEY. So she had to go to her mother to get it.

Mr. CRUSCO. That is right.

Mr. HALLEY. Then your mother-in-law also gave you \$20,000 for the business.

Mr. CRUSCO. \$40,000—\$20,000.

Mr. HALLEY. Plus \$4,500 for the car?

Mr. CRUSCO. That is right, because I gave her back \$6,000—

Mr. HALLEY. Your mother-in-law is the widow of a barber?

Mr. CRUSCO. That is right. He had three shops, one in Atlantic City.

Mr. HALLEY. Where are the other shops?

Mr. CRUSCO. One was on Fifteenth and Samson, one in Atlantic City. The last time he worked was on Eleventh and Gilbert.

Mr. HALLEY. Did he have all three shops at once?

Mr. CRUSCO. No; he moved.

Mr. HALLEY. Just one at a time?

Mr. CRUSCO. That is right, four or five barbers. You see they were buying the buildings.

Mr. HALLEY. You don't expect me to believe that a man in that business would accumulate that kind of money?

Mr. CRUSCO. Well——

Mr. HALLEY. You don't believe it, do you?

Mr. CRUSCO. I don't believe it? Where would I get it?

Mr. HALLEY. You tell us where you got the money.

Mr. CRUSCO. That is what I did.

Mr. HALLEY. I certainly don't believe you got it that way.

Mr. CRUSCO. That is where I got it.

Mr. HALLEY. Did you pay back any of that money?

Mr. CRUSCO. No, I owe it.

Mr. HALLEY. You owe your mother-in-law \$24,500 now?

Mr. CRUSCO. No, I owe her \$20,000.

Mr. HALLEY. How about the money for the car?

Mr. CRUSCO. That was the balance what I got altogether from \$40,000.

Mr. HALLEY. From the forty?

Mr. CRUSCO. That is right.

Mr. HALLEY. You bought the car new, didn't you?

Mr. CRUSCO. Sir?

Mr. HALLEY. You bought the car new, didn't you?

Mr. CRUSCO. I don't know if it is new or not.

Mr. HALLEY. When you bought it, I mean.

Mr. CRUSCO. It was supposed to be new, yes.

Mr. HALLEY. When did you buy it?

Mr. CRUSCO. I bought it in December.

Mr. HALLEY. What year?

Mr. CRUSCO. 1948.

Mr. HALLEY. December of 1948?

Mr. CRUSCO. Yes, sir.

Mr. HALLEY. When did you borrow the money for this deal?

Mr. CRUSCO. Mr. Strunk gave it to me away before.

Mr. HALLEY. But you didn't know how much you needed? You showed up at the closing with \$40,000 in cash, you said.

Mr. CRUSCO. Yes.

Mr. HALLEY. But now you say——

Mr. CRUSCO. No, I didn't show up there with \$40,000. I never said that.

Mr. HALLEY. You certainly did.

Mr. CRUSCO. No, I didn't bring any money back. I gave \$20,000 out of my own pocket, if you remember.

Mr. HALLEY. You said you arrived there with \$40,000 because you didn't know how much it would cost.

Mr. CRUSCO. I didn't know at that time that I accumulated the money because Mr. Strunk wanted me to raise \$50,000.

Mr. HALLEY. You didn't know at the time you went to the meeting?

Mr. CRUSCO. No, no. He said, "You get ready, Lou, and you will be surprised," you see. That is how I had all that money altogether.

Senator O'CONOR. When you went to the meeting with Mr. Strunk, how much money did you take there?

Mr. CRUSCO. He told me what to bring.

Senator O'CONOR. What did you bring?

Mr. CRUSCO. I brought \$34,000.

Senator O'CONOR. But you had collected \$40,000 before that.

Mr. CRUSCO. Yes, sir. Away in 1948.

Senator O'CONOR. From whom did you buy the car?

Mr. CRUSCO. Mr. Sachs.

Senator O'CONOR. Mr. Sachs?

Mr. CRUSCO. Yes, sir.

Senator O'CONOR. You had that whole \$40,000 together, then in 1948?

Mr. CRUSCO. Yes, that is right.

Senator O'CONOR. Then you bought the car.

Mr. CRUSCO. That is right.

Senator O'CONOR. Then you still had some money left to buy the deal?

Mr. CRUSCO. That is right.

Senator O'CONOR. You said you couldn't pay the whole \$4,500 for the car because you didn't have it.

Mr. CRUSCO. I held it up at that time.

Mr. HALLEY. I think you are about the worst liar I have ever heard in here.

Mr. TRASOFF. I don't think that that is a fair comment. He is not the smartest witness that you ever come across. I think that it is obvious that the gentleman is not as bright as we would like him to be. He gets confused on facts and gets easily confused when counsel ably cross-examines him. As I understand his story—

Senator O'CONOR. I don't want to shut you off but I don't know that it is just the place for you to interpret his testimony.

Mr. TRASOFF. May I say for the record, by the way, that we represent Mr. Crusco only in connection with the case against the Strunk people. This is as much news to us as it is to you. We have never heard it except this morning when he came to appear before you. This is all news to us as much as it is to you.

Mr. HALLEY. Now, Mr. Crusco, you said you didn't have all the money to buy the car, so you had to take some sort of mortgage on it and some months later you paid the balance? Isn't that what you said?

Mr. CRUSCO. Yes, but at that time I didn't know how much money I had to use to bring to Strunk, you see.

Mr. HALLEY. You said you did. You said Strunk had told you.

Mr. CRUSCO. In January he told me. Maybe I bought the car in November. I don't remember. I have been a sick man. I take spasms.

Mr. HALLEY. You look as though you are about to have one.

Senator KEFAUVER. Let's get on with the examination.

Mr. TRASOFF. I think that sarcasm is not called for.

Mr. CRUSCO. I am the guilty fellow. They skinned me alive, those young fellows.

Mr. HALLEY. Why don't you tell us the truth?

Mr. CRUSCO. I am telling you the truth.

Mr. HALLEY. You borrowed \$3,000 from one man and \$2,000 from another and you used that money, your friend's hard-earned money, to buy a Cadillac car? Is that the kind of fellow you are?

Mr. CRUSCO. When you are presentable—look, I don't buy a car every year, sir. That is the first time. Because I felt that buying a good car you won't have to buy one for 4 or 5 or 6 years.

Mr. HALLEY. What kind of car was your Chrysler?

Mr. CRUSCO. A Windsor.

Mr. HALLEY. What year was that?

Mr. CRUSCO. 1942.

Mr. HALLEY. You had that for 6 years.

Mr. CRUSCO. Yes, sir. I turned that in with an old Cadillac.

Mr. HALLEY. With an old Cadillac?

Mr. CRUSCO. Yes, sir.

Mr. HALLEY. So you had two cars?

Mr. CRUSCO. No; I turned it in on a 1942 Cadillac. You see cars couldn't be gotten at that time. The Cadillac was worn down, and I traded this old Cadillac, to get another car. She would lose the value. So you had to stay on that——

Mr. HALLEY. Isn't it a fact that Reuben Young said to Strunk that you were trying to get out of the numbers racket and that is why you were buying into this steel company?

Mr. CRUSCO. Mr. Strunk never knew. I never let no one know my business.

Mr. HALLEY. Didn't Mr. Young say that in your presence?

Mr. CRUSCO. It was in 1947, 1948, 1949, to today I haven't any numbers business.

Mr. HALLEY. What business is your son in?

Mr. CRUSCO. My son?

Mr. HALLEY. Yes.

Mr. CRUSCO. He is working with the body men; why?

Mr. HALLEY. Is he in the numbers business?

Mr. CRUSCO. No.

Mr. HALLEY. Are you sure of that?

Mr. CRUSCO. That is right.

Mr. HALLEY. When were you last in the numbers business?

Mr. CRUSCO. Last?

Mr. HALLEY. Yes.

Mr. CRUSCO. 1946.

Mr. HALLEY. Why did you bring Samuel into this thing?

Mr. CRUSCO. I felt this way. To be honest, I figured I didn't want to knock Mr. Strunk or anything. I thought probably by taking the mayor's son there was no conspiracy, and it would be a shoulder to me. I don't have no education. I don't have no college education. He could see that things were right.

Mr. HALLEY. Did the mayor's son say he would get some contracts for you?

Mr. CRUSCO. No, sir.

Mr. HALLEY. Didn't he go into an office to take on the business of getting contracts?

Mr. TRASOFF. Grandson, pardon me.

Mr. CRUSCO. You have that wrong. That is Junior.

Mr. HALLEY. How old is Junior?

Mr. CRUSCO. Junior is about 22 or 23; I don't know.

Mr. HALLEY. What were his duties going to be?

Mr. CRUSCO. There is a big story on that. I don't like to take up your time.

Mr. HALLEY. Just tell us what he was supposed to do.

Mr. CRUSCO. All right. Mr. Strunk told him, "Boy, we are left by ourselves. I am 52 years old. I will have him in and teach him from

the ground up." And so on like that. The boy was ready to pack up to live with him. After the deal was done he didn't even let him go in the house. So he worked him in the shop, upstairs in the pattern shop, and the boy was tickled to death.

Mr. HALLEY. You took the boy in because of his father; is that right?

Mr. CRUSCO. No, no.

Mr. HALLEY. You have just said you wanted to be associated with the mayor's son; is that right?

Mr. CRUSCO. The mayor's son, being that he looked out for me and the boy, said to me, "How about a job?" I said, "Maybe you might not like it." He said, "No; I would love it." So that is why Mr. Strunk hired him.

Mr. HALLEY. Did your mother-in-law keep her money in a bank?

Mr. CRUSCO. No, sir.

Mr. HALLEY. When your father-in-law died, was there a will?

Mr. CRUSCO. No, sir.

Mr. HALLEY. Did a lawyer handle his estate?

Mr. CRUSCO. No, sir.

Mr. HALLEY. There was no estate probated?

Mr. CRUSCO. No, sir.

Mr. HALLEY. Doesn't the law of this State require that an estate be probated? I should think so. You mean there was no estate probated in the State of Pennsylvania or anywhere else which will show that your mother-in-law inherited or otherwise acquired that money?

Mr. CRUSCO. They saved that money, 50 years in business.

Mr. HALLEY. Fifty years in the barber business, you don't save that kind of money. What kind of house does she live in?

Mr. CRUSCO. She lived on Juniper Street.

Mr. HALLEY. In a house?

Mr. CRUSCO. Yes, sir.

Mr. HALLEY. Did she own it?

Mr. CRUSCO. Yes, sir.

Mr. HALLEY. How much of a mortgage on it?

Mr. CRUSCO. I don't know. That I don't know.

Mr. HALLEY. We can check the records on that. Does she own an automobile?

Mr. CRUSCO. No, sir.

Mr. HALLEY. Does she have any servants?

Mr. CRUSCO. She is working.

Mr. HALLEY. She is working?

Mr. CRUSCO. Yes.

Mr. HALLEY. Where does she work?

Mr. CRUSCO. She worked at the Packard Building.

Mr. HALLEY. What does she do there?

Mr. CRUSCO. She cleans.

Mr. HALLEY. She is a cleaning woman and she gave you \$20,000 in cash?

Mr. CRUSCO. That is right.

Mr. HALLEY. That is a fine story!

Mr. TRASOFF. Stranger things than that have happened.

Mr. HALLEY. They appear only in fiction books.

Mr. TRASOFF. Oh, no. They appear in the newspapers on the front page.

Mr. HALLEY. This will, too, I assure you.

Senator KEFAUVER. Let's get on.

She has been a cleaning woman always, a long time?

Mr. CRUSCO. Well, yes. She has been doing it for about 12 years, to keep herself occupied.

Senator KEFAUVER. How in the world would she ever get money like that being a cleaning woman?

Mr. CRUSCO. They saved between themselves.

Senator KEFAUVER. Didn't you feel bad about taking that sort of money from them?

Mr. CRUSCO. It is not lost, sir. It is not lost. I have a case pending in court.

Senator KEFAUVER. Go ahead, Mr. Halley. I didn't mean to interrupt you.

Mr. HALLEY. I was going to suggest to the chairman that there is no point in talking to this witness further. His last statement shows that his explanation of the source of his money is so ridiculous that none of it is entitled to any credence whatsoever. I think the witness should be given a chance to think about his testimony, and I recommend to the committee that we go on with the next witness, Mr. Samuel.

Senator O'CONOR. You are excused.

Mr. TRASOFF. You are through with us for today?

Mr. HALLEY. No; you stay here, but wait outside.

Senator O'CONOR. It is customary that all witnesses be sworn. Raise your hand. In the presence of Almighty God do you swear that the evidence you will give in this matter will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SAMUEL. I do.

**TESTIMONY OF RICHARD RUSSELL SAMUEL, PHILADELPHIA, PA.,
ACCOMPANIED BY WILLIAM A. ROBBINS, ATTORNEY, PHILA-
DELPHIA, PA.**

Senator O'CONOR. Will you state your full name.

Mr. SAMUEL. Richard Russell Samuel.

Senator O'CONOR. And your address?

Mr. SAMUEL. 2929 South Thirteenth Street.

Senator O'CONOR. Your business or occupation?

Mr. SAMUEL. I work for the Daily News and I am also a personal-property assessor.

Senator O'CONOR. Counsel, you are representing him?

Mr. ROBBINS. William A. Robbins. My address is 812 Fox Building, Philadelphia, Pa.

Mr. HALLEY. Mr. Samuel, do you know a man by the name of Louis Crusco?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. How long have you known him?

Mr. SAMUEL. I suppose about 20 years.

Mr. HALLEY. When did you first meet him?

Mr. SAMUEL. It is hard to recollect. He was a neighbor. I lived right around the corner from him. As a matter of fact, he lives about four doors away from where my father lives.

Mr. HALLEY. Today?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Is that a nice part of town?

Mr. SAMUEL. South Philadelphia, sir.

Mr. HALLEY. I don't know.

Mr. SAMUEL. It is on Shunk Street. It is not the nicest part of South Philadelphia; no, sir.

Mr. HALLEY. But South Philadelphia is a nice part of the city? I am asking Mr. Samuel.

Mr. SAMUEL. I would say it is.

Mr. ROBBINS. It is the poorer part of the section, in order to save time.

Mr. HALLEY. Your father lives there still?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Are your families socially friendly?

Mr. SAMUEL. No, sir. They are just neighbors. They are not socially friendly.

Mr. HALLEY. You speak to him, though, on the street.

Mr. SAMUEL. Oh, sir, in the last 3 or 4 years he has been friends—I met at the club every Tuesday and Thursday to see my constituents. There is a group of boys, six or seven of them and sometimes Mr. Crusco comes there and goes out to have a crab or a beer after we are all through with my work there.

Mr. HALLEY. You are the leader?

Mr. SAMUEL. The leader of the thirty-ninth ward; yes, sir.

Mr. ROBBINS. Republican ward leader. You don't mind if I interject?

Mr. HALLEY. I really do, if he is going to testify.

How long have you been ward leader?

Mr. SAMUEL. Approximately I guess 9 or 10 years, but since my father became mayor.

Mr. HALLEY. Is Crusco a member of your club?

Mr. SAMUEL. Of that I am not sure. Possibly he might be, yes, sir.

Mr. HALLEY. But he comes around anyhow and sees you there?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Have you prior to 1948 had any business dealings with Crusco of any kind?

Mr. SAMUEL. I have never had any business dealings with Crusco.

Mr. HALLEY. Neither prior to nor since 1948?

Mr. SAMUEL. No, sir; never.

Mr. HALLEY. Do you know a man named Reuben Young?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. What is your relationship with him? How long have you known him and in what respect?

Mr. SAMUEL. The only way I know him, I met him I suppose two—I don't know the exact time. I met him several years ago. He has an office up on Third Street where he is in some kind of selling-used-machinery business.

Mr. HALLEY. How long? Who introduced you to him?

Mr. SAMUEL. Well, sir, I went there with Mr. Crusco when he met a Mr. Strunk, who is in the steel business.

Mr. HALLEY. Crusco introduced you to Strunk?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. And also to——

Mr. SAMUEL. Mr. Young, yes, sir. I never knew him prior to that time.

Mr. HALLEY. What was the subject of the discussions when Crusco introduced you to Strunk and Young?

Mr. SAMUEL. Mr. Strunk represented the Strunk Steel Co., and was attempting to sell to Mr. Crusco some stock in the steel company and Mr. Crusco asked me whether or not I would come up and listen to the story that he told and also whether I might myself be interested in buying some stock in it and that is the reason why I went up there.

Mr. HALLEY. This is in 1948?

Mr. SAMUEL. Yes, sir. Around 1948.

Mr. HALLEY. Where did you go, to Young's office?

Mr. SAMUEL. To Young's office; yes, sir; on Third Street.

Mr. HALLEY. How far is that from your office?

Mr. SAMUEL. Oh, well, they are at Third above Arch, and, of course, my office is at Broad and City Hall in that vicinity. So, therefore, it would be I suppose I would judge about a mile and a half, using squares about 8 or 10 blocks.

Mr. HALLEY. Did you all meet there or did Crusco call for you?

Mr. SAMUEL. We all met there.

Mr. HALLEY. I see. What was the discussion there?

Mr. SAMUEL. Mr. Strunk at that time had a very, very gorgeous proposition which he professed to tell Mr. Crusco about relative to having contacts with the Government, where they were going to build an elevator for aircraft carriers, and he had the contract, and they were going to get something like \$126,000 for the job, and they would be able to make quite a bit of money from it.

Mr. HALLEY. You were simply financial adviser at the time?

Mr. SAMUEL. That is right, sir.

Mr. HALLEY. Was there any discussion of your participation in the transaction in any way?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Was there any discussion of your going on the board of directors?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Did you at any time attend any meetings of the directors of the Strunk Steel Co.?

Mr. SAMUEL. One. After Mr. Crusco found that the thing was in really bad shape, he asked me if I would accompany him one day to a board of directors meeting, and at that meeting they discovered that the thing was really in very bad shape and that he had been defrauded of all his money.

Mr. HALLEY. Where was that meeting, at the offices of the company?

Mr. SAMUEL. That was up in Royersford, I think, at the plant.

Mr. HALLEY. Did you drive up there with Mr. Crusco?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. In your car or his?

Mr. SAMUEL. In his car. He was driving.

Mr. HALLEY. What had been Mr. Crusco's business?

Mr. SAMUEL. Since the war I have known him to be selling war surplus, and then he went into the Strunk Steel Co., and then he sold

insurance for this lady lawyer that he has, and now the business that he is in is machines, mechanical machines.

Mr. HALLEY. Before he went into the Strunk Steel Co., what was his business?

Mr. SAMUEL. Sir, I wasn't close enough actually to know what it was. I could guess what it was if you want but I don't know whether you want that testimony. I never saw Mr. Crusco do anything of that nature.

Mr. HALLEY. What would be your guess?

Mr. SAMUEL. There have been rumors that he was in the numbers business.

Senator O'CONOR. Wasn't he arrested for that quite a few times?

Mr. SAMUEL. No, sir.

Senator O'CONOR. If you check the records, you would become informed of the facts. It is a matter of public knowledge on the records, and you a neighbor of his for all that length of time, living right in the neighborhood and he admittedly engaged in the numbers business over that period of time, and you would come here and want us to believe you didn't know it.

Mr. SAMUEL. It isn't a question of not knowing, sir. A man has his business. That is his business as long as he doesn't involve me in it. I need not—

Senator O'CONOR. We didn't say anything about your being involved in it. You are the first one suggesting your possible involvement.

Mr. ROBBINS. May I interrupt? He said that he heard that the man had formerly been in the numbers business. He knew nothing about him ever being arrested. You say it is a matter of common knowledge.

Mr. HALLEY. A matter of public record.

Mr. ROBBINS. But the average layman as a neighbor doesn't go to the bureau of police to check up. I am not testifying.

Senator O'CONOR. Counsel, suppose you desist, then.

Mr. HALLEY. Do you want to be sworn in and testify?

Mr. SAMUEL. Don't talk, Bill.

Mr. HALLEY. We will get along better if you desist.

Mr. ROBBINS. We will get along all right. I won't argue, because Mr. Samuel is here to testify to whatever you want.

Mr. HALLEY. The committee allows counsel to be at these executive sessions only as a courtesy and expects the courtesy to be reciprocated.

Mr. Samuel, you say that in 1948 you knew he had no regular business; is that right?

Mr. SAMUEL. In 1948, the thing that I knew of him was he was selling surplus war materials. I knew that constantly every day that is what he was doing. I couldn't say he was in the numbers business. If he did he never paid any attention to it.

Mr. HALLEY. I thought you said on the record a little while back, and I might be wrong, but the record will show, that he had in 1948 not been active and you could guess what he was doing.

Mr. SAMUEL. Prior to that time, sir.

Mr. HALLEY. How much prior?

Mr. SAMUEL. You asked me prior to that time. I don't know how much prior to that time.

Mr. HALLEY. In any event, at the time of 1948 you knew that he at least had a reputation of having been in the numbers business, is that right?

Mr. SAMUEL. No, sir, I wouldn't say so. In 1948 I knew he was trying to sell surplus materials.

Mr. HALLEY. But you knew that prior to that time——

Mr. SAMUEL. Prior to that time I had heard that he had been in the numbers business and of my own personal knowledge, no, sir.

Mr. HALLEY. How long prior to that time had you heard it?

Mr. SAMUEL. I couldn't tell you the number of years. I don't remember when it was. It seems like it was a long time, yes, sir.

Mr. HALLEY. It stayed in your memory. You don't forget it.

Mr. SAMUEL. No, sir. I don't think I would.

Mr. HALLEY. You remember it today, in fact?

You had no business dealings with him of any kind?

Mr. SAMUEL. None whatsoever.

Mr. HALLEY. And no social dealings?

Mr. SAMUEL. Only what I told you, when they would come, maybe once or twice when the boys would go out to have crabs and beer after our meetings at the club.

Mr. HALLEY. In a group?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Did you ever go out with him alone, just you and he?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Do you belong to any other organizations together besides that club?

Mr. SAMUEL. He is in the Shrine, but I am not in the same lodge that he is in.

Mr. HALLEY. You are in different lodges in the Shrine?

Mr. SAMUEL. In the Blue Lodge, I think they call it. In the Shrine, the Blue is all one. In the beginning in the Blue Lodges and if you wind up in the Shrine, the Shrine takes in all the lodges there in a certain area.

Mr. HALLEY. You both belong to the Shrine?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Did you ever meet at Shriner meetings?

Mr. SAMUEL. No, sir. I very rarely attend them. I don't have time.

Mr. HALLEY. Have you ever seen him at such a meeting?

Mr. SAMUEL. I saw him at one meeting; yes, sir.

Mr. HALLEY. How long ago?

Mr. SAMUEL. I guess it has been a year ago.

Mr. HALLEY. You certainly weren't very friendly up to 1948 then; is that right?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Was it unusual for you to interest yourself so deeply in his business as to go down to——

Mr. SAMUEL. You see, after 1948, being a leader of a ward of people, a great many people lean on you for a lot of things. I suppose that he thought that he would ask my advice for his business just like many, many other people come to me and ask my advice about a lot of things. Naturally we try to do everything we can to help everyone. That wouldn't be unusual for me to go there.

Mr. HALLEY. How much time did you spend just going over the figures?

Mr. SAMUEL. I suppose we spent a couple of hours. It was in the afternoon.

Mr. HALLEY. Was there any discussion of the purchase price at that time?

Mr. SAMUEL. No, sir; I don't know anything about his financial arrangements. The only thing presented then was the financial condition of the company plus the promises of the contract.

Mr. HALLEY. Didn't you wonder where he would get the money to buy a steel company? Or did he already have a Cadillac at that time?

Mr. SAMUEL. He probably had the Cadillac at that time.

Mr. HALLEY. Do you remember?

Mr. SAMUEL. I don't remember, sir, but I imagine. If he didn't have one—I imagine he did at that time.

Mr. HALLEY. Does he live in an elaborate house?

Mr. SAMUEL. No, sir. It is not elaborate.

Mr. HALLEY. A nice house?

Mr. SAMUEL. It is in the same row block. I don't know. I have been in it only once. I wouldn't say it would be elaborate; no, sir.

Mr. HALLEY. But a nice house?

Mr. SAMUEL. I would say a nice house.

Mr. HALLEY. So you would think he might be able to raise \$40,000?

Mr. SAMUEL. Oh, yes, sir.

Mr. HALLEY. You wouldn't put that as beyond his possible means?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Did you contribute any part of the money that was paid to Strunk Steel?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Did you withdraw any money from the Corn Exchange Bank during the period between December 1948 and February 1949?

Mr. SAMUEL. I have my checks for that period, and there is nothing that is unusual, no large amounts. They are here.

Mr. HALLEY. Nothing in excess of a thousand dollars at a time?

Mr. SAMUEL. No, sir. You gentlemen may go over those if you like.

Mr. HALLEY. Do you have the statements?

Mr. SAMUEL. No, sir; I went to get the statements, but you fellows stopped me from getting them. I called yesterday morning, and the bookkeeper told me he would have them for me. I went down there at 3 o'clock and he said, "I am sorry, but I cannot give them." due to the fact that you folks had commandeered them and I couldn't get them. The only thing they did give me was the balance.

Mr. HALLEY. There is no point in going through checks without a statement, because we can't tell if all the checks are there. You might have lost some.

Mr. SAMUEL. The Corn Exchange Bank man is outside waiting to get in here. You can check my checks against those. I never at that time, I believe, had more than \$500 in the Corn Exchange.

Mr. HALLEY. Did you at any time have a safe-deposit box?

Mr. SAMUEL. I have one now.

Mr. HALLEY. Do you keep any cash in it?

Mr. SAMUEL. No; only bonds and insurance policies.

Mr. HALLEY. Have you at any time kept any cash in it?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Why did you allow your son to participate in this Strunk Steel business?

Mr. SAMUEL. Well, sir, when Mr. Strunk was there, his boy and my boy went to the same school together, and he seemingly had taken a liking to my boy. He wanted to tell him, due to the fact that his son had been killed in the war recently, a year before or something of that nature, stating the fact that he liked my son, he wanted to teach him the steel business as he knew it. As a matter of fact, he was even going to live at his home up in Royersford when he brought him up there.

Mr. HALLEY. This is Strunk's idea?

Mr. SAMUEL. Strunk's idea; yes, sir.

Mr. HALLEY. But your boy came in representing Crusco; is that right?

Mr. SAMUEL. No. Strunk hired—

Mr. HALLEY. Didn't your boy have a power of attorney from Crusco?

Mr. SAMUEL. That I don't know, sir, unless they worked it out between themselves.

Mr. HALLEY. You knew what he was doing, didn't you?

Mr. SAMUEL. I didn't know about any power of attorney.

Mr. HALLEY. Didn't you know he went into the meeting with a power of attorney representing Crusco?

Mr. SAMUEL. No, sir; I don't remember that.

Senator KEFAUVER. The records so show.

Mr. SAMUEL. I didn't know that. You see, after they first started to hire the boy, he went to Royersford where he was supposed to go for a day or so, and then they told him that he would have to take care of a Philadelphia office which was the same place where Reuben—what's his name—is on Third Street—Reuben Young. So he and Mr. Crusco operated the Philadelphia office for them. What they did there—I never asked him, because, after all, it was their business and wasn't mine. I wasn't in it at all.

Mr. HALLEY. How long have you known Miss Alma Arnold?

Mr. SAMUEL. Only from the time Mr. Crusco hired her as a lawyer.

Mr. HALLEY. Have you had any business dealings with her in that time?

Mr. SAMUEL. None at all.

Mr. HALLEY. Any insurance dealings?

Mr. SAMUEL. None at all.

Mr. HALLEY. Do you know anything about the order that the Philadelphia Transit Co. gave to Strunk Steel?

Mr. SAMUEL. I think my son called someone up there and got an order for it. Outside of that, I don't know of anything on it. I think he told me about it one night when he had come home from work that he had talked to someone there.

Mr. HALLEY. You had nothing whatsoever to do with it?

Mr. SAMUEL. Nothing, sir.

Mr. HALLEY. Your son at that time was about 20 years old?

Mr. SAMUEL. That is right, sir.

Mr. HALLEY. He just called somebody up at the Philadelphia Transit Co. and succeeded in getting an order?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Do you think the fact that you were his father and that your father is mayor had anything to do with that?

Mr. SAMUEL. It possibly could have helped him; yes, sir.

Mr. HALLEY. Was there some arrangement whereby you and your son were to get a commission for any orders obtained through him or through you?

Mr. SAMUEL. None.

Mr. HALLEY. No such arrangement whatsoever?

Mr. SAMUEL. No such arrangement.

Mr. HALLEY. Did you ever get any commission from Strunk Steel Co.?

Mr. SAMUEL. Never.

Mr. HALLEY. I have no other questions right now.

Senator O'CONOR. Very well.

Senator KEFAUVER. I want to ask one or two questions.

Where is your son now?

Mr. SAMUEL. He is at home now, sir.

Senator KEFAUVER. What does he do?

Mr. SAMUEL. He was working—he worked for the Buick, selling automobiles after that, and now he is working selling Mercurys for the Palumbo Motors.

Senator KEFAUVER. Palumbo Motors?

Mr. SAMUEL. Yes, sir. I think he is going to leave there today and go up and sell Kaiser-Frazers. I think they have a better deal for him. He doesn't want to stay there.

Senator KEFAUVER. I didn't understand just what it was he was supposed to do for the Strunk Steel Co. What was going to be his job?

Mr. SAMUEL. As I told you, sir, Mr. Strunk said he was going to teach him the business. He seemed to take a liking to him. His boy and my boy went to Valley Forge Military Academy in the very same school, and his son had just been killed in the war. Therefore, he professed to take a liking to him.

Senator KEFAUVER. Was it going to be his job to get orders and business for the company?

Mr. SAMUEL. Not at first, sir. When they sent him back to Philadelphia, it was. They were supposed to get orders out of the Philadelphia office.

Senator KEFAUVER. Where was he going to send him first?

Mr. SAMUEL. First he was going to send him to Royersford.

Senator KEFAUVER. Where?

Mr. SAMUEL. Royersford. That is where the plant is.

Senator KEFAUVER. How long was he going to stay there?

Mr. SAMUEL. He was supposed to stay there and live at Mr. Strunk's home.

Senator KEFAUVER. Royersford?

Mr. SAMUEL. Royersford, Pa.

Senator KEFAUVER. How far out of Philadelphia is that?

Mr. SAMUEL. That is about 30 some miles, I would imagine.

Senator KEFAUVER. How long was he going to stay there?

Mr. SAMUEL. He was going to stay there indefinitely and come home only on week ends.

Senator KEFAUVER. Then after he learned the business was going to open up the office here—

Mr. SAMUEL. What he was going to do was to teach him the business, to be like an assistant up there at the Royersford plant.

Senator KEFAUVER. Then he was going to open up an office in the same building that Reuben Young was in.

Mr. SAMUEL. They did open offices there, sir.

Senator KEFAUVER. They did open offices there.

Mr. SAMUEL. Yes.

Senator KEFAUVER. When did they open the office there?

Mr. SAMUEL. I don't know the exact date, but I believe it was several weeks after they had started and after Richard had gone to Royersford.

Senator KEFAUVER. So he got his apprenticeship training up at Royersford, and then he came on back and opened the office.

Mr. SAMUEL. Yes, sir.

Senator KEFAUVER. That is the Delaware Equipment Co., I believe.

Mr. SAMUEL. Well, I don't think—yes; that is where Mr. Reuben Young is, but I think they had an office on the second floor.

Senator KEFAUVER. I mean in the same building.

Mr. SAMUEL. In the same building; yes, sir.

Senator KEFAUVER. I think the building belonged to the Strunk Steel Co., didn't it?

Mr. SAMUEL. I never knew that, sir. I thought it was always Mr. Young's.

Senator KEFAUVER. What was he supposed to do when he got in that office?

Mr. SAMUEL. He and Mr. Crusco were supposed to go out and make sales for the Strunk Steel Co., obtain orders for them.

Senator KEFAUVER. It has been stated here, just to be frank with you, that you and your son were supposed to get city business.

Mr. SAMUEL. No, sir.

Senator KEFAUVER. Certain types of fireplugs and certain other things that Strunk Steel could make for the city of Philadelphia.

Mr. SAMUEL. What would happen, that was in a conversation. They themselves—nobody can go to the city. If they could get any business from the city it has to be done through bids, sir.

Senator KEFAUVER. What was the conversation about it?

Mr. SAMUEL. Nothing, with the exception that it would be a good thing if they could make the city buy these so-called—some kind of steel. I don't know what you call it.

Senator KEFAUVER. Where was that conversation?

Mr. SAMUEL. That might have been at Young's, sir. I wouldn't recall the exact location.

Senator KEFAUVER. You were there?

Mr. SAMUEL. Yes, sir.

Senator KEFAUVER. Was it at lunch somewhere?

Mr. SAMUEL. It could have been at lunch; yes, sir. I think we went to lunch afterward. We went to lunch some time. It would be a good thing to get the city to buy, let me see what sort of things these are. I think I have them down here. Welded fireplugs. Instead of cast, they have some kind of welded plugs. Their idea was that the cast ones would break and the welded ones wouldn't. I think that was the theory which they propounded.

Senator KEFAUVER. So that was one of the main things, they were going to get the city to buy these welded fireplugs instead of cast ones.

Mr. SAMUEL. Yes, sir. That is what they were going to try to do.

Senator KEFAUVER. How about trusses for the elevators or escalators?

Mr. SAMUEL. I didn't know anything about that. I think that might have been—you see the Strunk Steel Co. was supposed to have gotten business from the Otis Elevator Co., and that was one of the things he had told Mr. Crusco about when he originally went in. The Otis Elevator Co. was the one supposed to give them bids for building these elevators on these so-called secret plans he had for the big aircraft carriers.

Senator KEFAUVER. How about steel paleates for concrete pipe. That is another thing he mentioned they were going to sell to the city.

Mr. SAMUEL. They cannot sell anything, sir, unless it is bid and above a certain amount of money.

Senator KEFAUVER. This thing for the Philadelphia Transit Co. was not bid?

Mr. SAMUEL. That is not the city, sir. That is a privately operated outfit.

Senator KEFAUVER. It is privately operated?

Mr. SAMUEL. Yes, sir.

Senator KEFAUVER. So it was part of the idea, then——

Mr. SAMUEL. I suppose maybe Mr. Strunk had that idea in telling my boy he wanted him to come with him thinking he could use whatever influence he had to sell things to people by using the name. That might have been his motive.

Senator KEFAUVER. He frankly testified that you were going to help, too.

Mr. SAMUEL. How could I help? I wasn't even in the business.

Senator KEFAUVER. On account of your son.

Mr. SAMUEL. I never saw the man only two or three times in my whole life.

Mr. HALLEY. How did Strunk happen to meet your boy?

Mr. SAMUEL. He was there with us at the meeting.

Mr. HALLEY. Isn't that a peculiar thing, to take a boy to a meeting of that kind?

Mr. SAMUEL. No, sir. It so happened that Mr. Crusco—my boy was with me at the time and we went up there. The buying of this thing, the conversation of it had gone on previously maybe for a week or so while we were sitting around the table like we did on Tuesday and Thursday, that he wanted to buy this steel business. It is not the business, by the way, it is only a percentage of it. It wasn't his business at all. He was just part of the operation.

Senator O'CONNOR. Does it strike you as odd that he paid for it all in currency?

Mr. SAMUEL. I knew nothing about the financial dealings. I wasn't there. I didn't know how he was going to pay it. I didn't even know the price of it. I didn't even know what he was going to pay for it.

Senator O'CONNOR. Your son was there?

Mr. SAMUEL. My son was there. I wasn't.

Senator O'CONNOR. Did your son report to you that it had been paid for in currency?

Mr. SAMUEL. No, sir. My son wasn't there when the money was paid, either.

Senator O'CONNOR. Haven't you ever heard it was paid for in cash?

Mr. SAMUEL. Since that time I have but I understood Mr. Campbell or somebody insisted that it be paid for in currency.

Senator O'CONOR. Did you ever discuss that with the purchaser?

Mr. SAMUEL. No, sir. He evidently didn't think it funny. I don't know why.

Senator O'CONOR. Didn't you?

Mr. SAMUEL. To me, yes, normally I think it would be funny. I don't know why——

Senator O'CONOR. \$34,000 being paid in cash—Counsel, I am not asking you.

Mr. SAMUEL. What developed later was the fact that he was skinning him out of all this money. Possibly that was one motive that Mr. Campbell wanted to have the money in currency. After all, what happened to it, after it was all over he took all the money and the thing went bankrupt. He knew at the time it was going bankrupt. Those gentlemen are under indictment now.

Senator O'CONOR. That wouldn't make any difference whether it was paid in cash or currency.

Mr. SAMUEL. That is the way the man asked for it, sir, maybe. I don't know.

Senator KEFAUVER. Is the company still running?

Mr. SAMUEL. No, sir; it is bankrupt.

Senator KEFAUVER. When did it go bankrupt?

Mr. SAMUEL. About a month or so after they had gotten Mr. Crusco's money.

Senator KEFAUVER. It just folded up?

Mr. SAMUEL. Yes, sir.

Senator KEFAUVER. How long did your son work for the company?

Mr. SAMUEL. Only about a month, sir. During that period of time.

Senator KEFAUVER. How much more business did he get? Did he get much business?

Mr. SAMUEL. That I don't know. I do know he had some business with the PTC, and I think they had some kind of roller or some kind of invention. They would roll lawns. He sold a couple of those. Outside of that, I don't know what other business he got for them.

Senator KEFAUVER. Whom did he sell those lawn rollers to, do you know?

Mr. SAMUEL. They ran an advertisement in the paper, I don't know whether it was the Inquirer or the Bulletin, in the classified section, where they could buy these rolls, and that is the way he sold the rollers.

Senator KEFAUVER. Mr. Samuel, the record shows here that this Mr. Crusco has been indicted and been arrested and tried and convicted at least twice and arrested about three or four other times.

Mr. SAMUEL. He hasn't in the last 10 years.

Senator KEFAUVER. For number-writing operations. Where is that record? Do you have it there?

Mr. HALLEY. I think it is right here.

Senator O'CONOR. Read them off.

Senator KEFAUVER. Not the whole thing.

Mr. HALLEY. 1930, 1938, 1940, 1941, 1945.

Senator KEFAUVER. In other words, this record would indicate that he is a well-known numbers operator and gambler. He admitted

quite freely when he was in here a little while ago that he was in the gambling business up to 1935 or 1936, when he was convicted, and had 2 years of probation, and when his 2 years of probation were over he got back into the business and carried on until 1946.

Mr. SAMUEL. I didn't know enough then to answer that, sir. He is just a neighbor who lives down the street or around the corner. I had no dealings with him.

Mr. HALLEY. But you knew him well enough to let your son go into business with him.

Mr. SAMUEL. That was after 1948, when the man was no longer in the numbers business, as far as I knew.

Mr. HALLEY. It didn't worry you that he had been in the numbers business and was known to have been a gambler?

Mr. SAMUEL. Look. If you find an individual who is very nice—Mr. Crusco is the type of man who will give you his shirt. He is very good to charity, very good to the neighbors. Very good to everyone. He does everything for everybody.

Mr. HALLEY. How is he good to charities?

Mr. SAMUEL. Anything that would come up in charities. He will give to anyone.

Mr. HALLEY. What sort of donations does he make?

Mr. SAMUEL. I know that in the Shriners he has given the maximum that there is.

Mr. HALLEY. What is the maximum?

Mr. SAMUEL. To the Children's Hospital. Something like \$150 or \$175.

Mr. HALLEY. Does he give that every year?

Mr. SAMUEL. No, sir; that is once that you give that. That buys you a life membership.

Mr. HALLEY. To what other charities does he contribute?

Mr. SAMUEL. People who come to him for help. He is always a man trying to help somebody.

Mr. HALLEY. Can you explain that this man whose income tax shows practically no income at all, a pauper's situation, almost, drives around in a Cadillac, turns up with \$40,000 and gives liberally to charities?

Mr. SAMUEL. I wouldn't know anything about his personal business. I am not close enough to the man to know what he makes or what he doesn't make.

Mr. HALLEY. It is not a good-looking situation, you would agree to that.

Mr. SAMUEL. Sir?

Mr. HALLEY. It is not a good-looking situation.

Mr. SAMUEL. That is right. It doesn't look good.

Mr. HALLEY. Then he comes in here claiming he borrowed \$20,000 from his mother-in-law, who turns out to be a washwoman, working for a living.

Mr. SAMUEL. Well, sir, I don't know his personal business. That is his problem, not mine. I never knew anything about that.

Mr. HALLEY. But your son was his personal representative in this matter.

Mr. ROBBINS. We will have to object to that. He wasn't his personal representative.

Mr. HALLEY. I am asking a question. Was your son his representative?

Mr. SAMUEL. Whose representative?

Mr. HALLEY. Crusco's.

Mr. SAMUEL. Crusco's? Not that I know, sir.

Mr. HALLEY. The record shows it.

Senator KEFAUVER. What is that now?

Mr. HALLEY. He says he doesn't know that his son was Crusco's personal representative.

Mr. SAMUEL. What they did, gentlemen, when they were in their office, maybe that was a situation which between them they developed—I wasn't in the office. I didn't have no part of it. I didn't know anything about it, sir.

Mr. HALLEY. You don't look like the sort of father who would let a 19-year-old son just wander through a business deal.

Mr. SAMUEL. Look, Mr. Strunk was going to make him—was going to educate him. You would let your son go if he had an opportunity.

Mr. HALLEY. I would like to know what was going on particularly—

Mr. SAMUEL. Have you met Mr. Strunk, sir? You saw him in here? Wouldn't he convince you he was a good man?

Mr. HALLEY. You apparently spent 4 hours talking about the finance.

Mr. SAMUEL. About which?

Mr. HALLEY. About the company's finances.

Mr. SAMUEL. Yes. A couple of hours; not 4 hours.

Mr. HALLEY. A couple of hours.

Mr. SAMUEL. That is right, sir. He brought a financial statement stating that the company as of August had a certain \$12,000 balance or something like that. And it was in good shape. As a matter of fact, it was in better shape then than when he was talking to Mr. Crusco.

Mr. HALLEY. After spending that time you showed no further interest in what your son was doing and how he was handling himself?

Mr. SAMUEL. Mr. Strunk at that time said, "Look. I want to make your boy an engineer. I want him to know this business. I want him to grow to be vice president of this company. My boy was 19 years old, just as you would do with your son if it looked like it was a good opportunity, you would let him go and let him try to have that opportunity. You are talking about Mr. Strunk. He looked like an honorable person.

Mr. HALLEY. Did Mr. Crusco say I want to make him my personal representative?

Mr. SAMUEL. No, sir; not at that time.

Mr. HALLEY. And give him power of attorney?

Mr. SAMUEL. No, sir; not at that time.

Mr. HALLEY. You never learned that?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Your son never told you that?

Mr. SAMUEL. No, sir.

Senator KEFAUVER. Mr. Samuel, was there any conversation about your coming into this office in the Delaware Equipment Co.?

Mr. ROBBINS. That is Mr. Young's business.

Senator KEFAUVER. I mean in the building. Anyway you were going to come into Mr. Strunk's office——

Mr. SAMUEL. How could I? I have two jobs here.

Senator KEFAUVER. Let me finish the question. You were going to come in this Strunk office and part time direct sales and look after the selling for this company?

Mr. SAMUEL. No, sir.

Senator KEFAUVER. In other words, were you going to contribute something to it yourself, was there some conversation about that?

Mr. SAMUEL. No, sir; not that I remember.

Senator KEFAUVER. You were to help out?

Mr. SAMUEL. No, sir; not that I would remember.

Senator KEFAUVER. You would remember if there had been any?

Mr. SAMUEL. Yes, sir.

Senator KEFAUVER. You say there was no conversation to that effect?

Mr. SAMUEL. They possibly might have thought of my son, not me.

Senator KEFAUVER. No; Mr. Strunk has told us that part of the transaction was that you yourself were going to come into the Strunk office.

Mr. SAMUEL. I can only answer that in this way: Mr. Strunk has developed to my mind to be possibly one of the biggest prevaricators I have ever met in my life. I can't answer that any other way other than that. For that reason, that is the reason why he is indicted now for doing the very same thing.

Mr. HALLEY. Do you consider Mr. Crusco a truthful man?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. Thank you.

Senator KEFAUVER. I wanted to ask, you seem to have two positions here. Just as a matter of curiosity, how do you divide your time between them?

Mr. SAMUEL. I go into the Daily News in the morning and most of the stuff I cover is legal advertising, which takes me on into the city hall, and from the city hall I can spend most of my time there and cover most of the Daily News work during the lunch period.

Senator KEFAUVER. You are in the advertising department of the Daily News?

Mr. SAMUEL. Yes, sir.

Senator KEFAUVER. Are you the advertising manager?

Mr. SAMUEL. No, sir. I handle the legal advertising.

Senator KEFAUVER. You handle the legal advertising.

Mr. SAMUEL. Yes, sir.

Senator KEFAUVER. Do you work on a salary or how?

Mr. SAMUEL. A salary, sir.

(At this point Senator Kefauver resumed the chair.)

The CHAIRMAN. What is this job you have with the city?

Mr. SAMUEL. Personal property assessor. That is also a salaried job.

The CHAIRMAN. They both seem to pay about \$500 a month.

Mr. SAMUEL. Yes, sir; around that figure.

Mr. ROBBINS. That is each, sir.

The CHAIRMAN. I say each pays about \$500 a month.

Mr. SAMUEL. Yes, sir.

The CHAIRMAN. When was the first time you heard about Mr. Crusco dumping out \$40,000 in currency on the table?

Mr. SAMUEL. I never heard of him dumping it out on the table, sir. The only thing I heard was after he had purchased the thing, that he had carried it up there in a big suitcase, and it was filled with money. I never heard of him dumping it.

The CHAIRMAN. The dumping out on the table is inconsequential. When was it you heard that he carried up a suitcase full of money?

Mr. SAMUEL. I suppose several weeks after he and Miss Arnold went up there. I don't know the exact date.

The CHAIRMAN. How did you hear it? Who told you?

Mr. SAMUEL. I suppose he did. I recollect that possibly he might have done that.

The CHAIRMAN. Can you place the time of this one extended meeting and then had lunch later with Mr. Strunk and your son was there at the same time; wasn't he?

Mr. SAMUEL. Yes, sir.

The CHAIRMAN. And Mr. Crusco?

Mr. SAMUEL. Crusco; yes.

The CHAIRMAN. When was that meeting?

Mr. SAMUEL. That meeting was a meeting which was in Rube Young's office, which was at the time that Mr. Strunk presented his plans and his financial statements.

The CHAIRMAN. The record shows, I think, that the money was delivered and the transaction was closed out—

Mr. SAMUEL. After that.

The CHAIRMAN. On January 27, 1947.

Mr. SAMUEL. I suppose that meeting probably was about 3 weeks prior to that. I am only guessing now.

The CHAIRMAN. So this would be about the first part of January 1949.

Mr. SAMUEL. Yes, sir.

The CHAIRMAN. How much was your son going to be paid?

Mr. SAMUEL. I wish I had brought the stubs. He got paid. He was paid for about 3 weeks. I guess around \$40, sir.

The CHAIRMAN. Was he also going to get a commission?

Mr. SAMUEL. No, sir.

The CHAIRMAN. Was he living at your house at that time, sir?

Mr. SAMUEL. Yes, sir.

The CHAIRMAN. He is not married?

Mr. SAMUEL. No, sir.

The CHAIRMAN. I believe that is all, Mr. Klein.

Mr. KLEIN. It should be said that Mr. Samuel remains under subpoena.

Mr. SAMUEL. Yes.

Mr. ROBBINS. That is right. And you will notify us by telephone or letter.

Mr. HALLEY. I wonder if we should complete the record and get a statement of your assets at this time. Do you mind?

Mr. SAMUEL. Not in the least. The Corn Exchange Bank is \$3,-337.93. The one which I have in the savings fund, Philadelphia Savings Fund, is \$9,255.97.

Mr. ROBBINS. The Philadelphia Savings Fund Society.

The CHAIRMAN. Is that a savings bank?

Mr. ROBBINS. Yes.

Mr. SAMUEL. Might I add, gentlemen, that \$5,000 of that—the Union Republican Club dispersed—that is it broke up and there were 28 members of that and the 28 members divided what moneys there were, which amounted to around \$4,064, which has been returned.

Mr. ROBBINS. Returned in the 1948 tax return.

Mr. SAMUEL. 1948 taxes. Another \$1,000 was endowment insurance which ran out. That is the reason that that figure is up to \$9,200.

Mr. HALLEY. Does your wife have any bank account?

Mr. SAMUEL. No, sir.

Mr. HALLEY. What real estate do you have?

Mr. SAMUEL. My home, sir.

Mr. HALLEY. Where is that?

Mr. SAMUEL. At 2929 South Thirteenth Street.

Mr. HALLEY. What is the value of that?

Mr. SAMUEL. When I purchased it or what it is worth now? It is now worth—

Mr. HALLEY. What did you pay for it?

Mr. SAMUEL. \$7,000.

Mr. HALLEY. Do you own any summer home other than that or any other real estate of any kind?

Mr. SAMUEL. No.

Mr. HALLEY. Any stocks or bonds?

Mr. SAMUEL. No, sir. Daily News stocks; when we first started we used to take some part of our pay and buy stocks with it. They are absolutely worthless.

Mr. HALLEY. You haven't bought any stocks?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Your wife?

Mr. SAMUEL. Never.

Mr. HALLEY. Do you own an automobile?

Mr. SAMUEL. Yes, sir.

Mr. HALLEY. What kind?

Mr. SAMUEL. A Buick.

Mr. HALLEY. What year, please?

Mr. SAMUEL. It is a 1949, 1948 or 1949, something like that.

Mr. HALLEY. Any other assets?

Mr. SAMUEL. No, sir.

Mr. HALLEY. Thank you.

Mr. SAMUEL. Wait a minute, I am not through. I have bonds. I buy a bond a month from the payroll plan at the Daily News.

The CHAIRMAN. How big a bond?

Mr. SAMUEL. A \$50 bond, sir.

The CHAIRMAN. You haven't any money in any cash box or anything?

Mr. SAMUEL. No, sir.

The CHAIRMAN. No stocks or bonds on the exchange?

Mr. SAMUEL. No, sir.

The CHAIRMAN. We can keep all these together.

Mr. SAMUEL. All right, sir. Do you want this, too? You don't need this, do you?

The CHAIRMAN. No.

Mr. HALLEY. No.

The CHAIRMAN. The Corn Exchange \$3,300 and the Philadelphia Savings Fund.

Mr. ROBBINS. That was as of yesterday.

Mr. SAMUEL. We went down to get that yesterday afternoon. As a matter of fact, I called in the morning to get the statement and they told me they would have it ready for me and when I went down they said you fellows had it and there was nothing I could do about it.

The CHAIRMAN. Thank you, Mr. Samuel.

Mr. SAMUEL. Thank you, gentlemen.

The CHAIRMAN. I am Senator Kefauver.

Mr. FITZGERALD. Fitzgerald is my name.

The CHAIRMAN. Mr. Fitzgerald, do you solemnly swear the testimony you will give this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. FITZGERALD. I do.

**TESTIMONY OF RICHARD F. FITZGERALD, UPPER DARBY, PA.,
ASSISTANT COMPTROLLER, CORN EXCHANGE NATIONAL BANK
& TRUST CO., PHILADELPHIA, PA.**

Mr. KLEIN. Mr. Fitzgerald, you are an employee of the Corn Exchange National Bank & Trust Co.?

Mr. FITZGERALD. Yes, sir.

Mr. KLEIN. In what capacity?

Mr. FITZGERALD. Assistant comptroller.

Mr. KLEIN. Your full name is Richard F. Fitzgerald?

Mr. FITZGERALD. Yes, sir.

Mr. KLEIN. What is your address?

Mr. FITZGERALD. 116 Oakley Road, Upper Darby, Pa.

Mr. KLEIN. The bank was subpoenaed to produce certain records in the matter of Richard Samuel.

Mr. FITZGERALD. That is right.

Mr. KLEIN. Do you have those records with you?

Mr. FITZGERALD. Yes, sir.

Mr. KLEIN. Will you produce them, please?

(Documents produced.)

Mr. FITZGERALD. I have photostats of a joint account and a safety deposit box.

Mr. KLEIN. You have bank statements?

Mr. FITZGERALD. I have photostats of ledger cards and I have a photostat of one bank statement here. I have one bank statement with me. There are some checks there also.

Mr. HALLEY. Mr. Fitzgerald, a sum of money, a rather considerable sum has turned up which appears to have come from the Corn Exchange Bank. It was deposited in another bank which informed the depositor that the money had apparently been withdrawn from your bank. Would there be any way of checking whether there was a large cash withdrawal on a particular date other than going through each individual account?

Mr. FITZGERALD. That would be the only way.

Mr. HALLEY. You don't make any independent record of very substantial cash withdrawals?

Mr. FITZGERALD. Cash withdrawals; no sir; not now. We did at one time.

Mr. HALLEY. Up to what time?

Mr. FITZGERALD. I don't know the date on that, sir.

Mr. HALLEY. This would be in excess of \$10,000?

Mr. FITZGERALD. While that regulation was in effect, we kept those records, but I don't know the dates on those.

Mr. HALLEY. That might be worth checking.

Mr. RICE. About what year was that regulation in effect?

Mr. FITZGERALD. It must have ended about 2 years ago, I would say. I am not familiar with the regulation because I was in the service when it went into effect, but it was still being followed when I returned.

Mr. RICE. Would you know whether it was in effect in the spring of 1949?

Mr. FITZGERALD. I wouldn't know, but I wouldn't think so.

(Off the record.)

Mr. HALLEY. I think we ought to keep these records. I don't know that there is any further light you can throw on them.

May I ask who is Teresa G. Hedges? Do you know?

Mr. FITZGERALD. No, sir; I don't.

The CHAIRMAN. This is the ledger account of Mr. Samuel.

Mr. FITZGERALD. That is correct, sir; a joint account.

The CHAIRMAN. What do you have there about the safety deposit box?

Mr. FITZGERALD. We have the contract, and the signature card, and the access record.

The CHAIRMAN. What does "R. S." mean on here?

Mr. FITZGERALD. That indicates that Richard was the one that gained access or was in that day.

The CHAIRMAN. All right, thank you, sir.

Mr. FITZGERALD. Thank you.

The CHAIRMAN. Will you hold up your hand? Do you swear the testimony you will give this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. YOUNG. I do.

The CHAIRMAN. The time is late and we want to get right down to the point here.

TESTIMONY OF REUBEN YOUNG, DELAWARE EQUIPMENT CO., PHILADELPHIA, PA.

Mr. HALLEY. What is your name?

Mr. YOUNG. Reuben Young.

Mr. HALLEY. Your address?

Mr. YOUNG. 124 North Third Street.

Mr. HALLEY. What is your business?

Mr. YOUNG. Machinery business, used machine tools.

Mr. HALLEY. What is the name of your business?

Mr. YOUNG. Delaware Equipment Co.

Mr. HALLEY. How long have you known Crusco?

Mr. YOUNG. I would say about 3 or 4 years.

Mr. HALLEY. How did you happen to meet him?

Mr. YOUNG. I was introduced to Mr. Crusco by Captain Ragossa.

Mr. HALLEY. Who is Captain Ragossa?

Mr. YOUNG. He is captain of the pier of the Delaware River pier. Incidentally, they are members of my lodge.

Mr. HALLEY. What lodge, Masonic Lodge?

Mr. YOUNG. Yes, sir.

Mr. HALLEY. You also belong to the same political club as Mr. Crusco?

Mr. YOUNG. No, sir. I don't belong to any.

Mr. HALLEY. What is the captain's name?

Mr. YOUNG. Captain Michael Ragossa.

Mr. HALLEY. Is he a city policeman?

Mr. YOUNG. No, sir. I think his appointment is by the State. Captain of the pier, to watch the boats that come in.

Mr. HALLEY. Did you know what Crusco's business was?

Mr. YOUNG. No, I did not.

Mr. HALLEY. Have you ever learned?

Mr. YOUNG. Like I told Mr. Rice before, when he first came down to my place I was a little doubtful as to what he was doing. I didn't know. He wanted to go into some sort of business. He asked me if I knew anything. I drew a report on him to find out what his business was, a Dun & Bradstreet report.

Mr. HALLEY. That didn't show very much in the way of assets, did it?

Mr. YOUNG. No, it didn't.

Mr. HALLEY. At that time did you know Strunk, of the Strunk Steel Co.?

Mr. YOUNG. Yes. I had met Strunk.

Mr. HALLEY. Had Strunk approached you about his desire to get some new capital?

Mr. YOUNG. Yes; you see the way it came about, he came in to me one day and he said that my corporal from the First World War sent him in and he wanted to buy some machinery. I figured if my corporal sent him in, he must be all right, because this fellow is a very responsible man of Royersford. So I sold him some machinery, took a little money down, and the balance on time. I took him to a friend of mine and got him about \$3,000 worth of machinery, most of it on time.

Mr. HALLEY. Did Strunk come to you first or did Crusco come to you first?

Mr. YOUNG. That is the way. After they get going they had some iron work business up in Royersford. He said to me one day, he said, "Reuben, do you know anybody who wants to go in business with me?" So I said to him, "What is the matter? You look like you have a prosperous business up there."

He said, "Campbell and I don't get along, and if you know of anybody, I would appreciate it if you would tell me about it."

I said, "Well, I happen to know a fellow who is interested in going into business, and I will introduce you to him," which I eventually did, I think, at a later period.

Mr. HALLEY. You mean Crusco had come to you in the meantime or before that and asked you if you could find him a business?

Mr. YOUNG. Well, he had mentioned it. He used to come in occasionally to our place, and he wasn't doing anything. He had mentioned that he would like to get into a business if we knew anything.

Mr. HALLEY. Wasn't it a fact that you felt that Crusco was in the numbers business and ought to get out of it and get into a legitimate business?

Mr. YOUNG. No; that is not the truth.

Mr. HALLEY. Didn't you say that on a couple of occasions?

Mr. YOUNG. No, sir; I positively did not. As a matter of fact, several times Strunk said to me, "What business is Louis in?" I said, "You know, I don't know. He looks very prosperous." He had a big car. I think that was the reason why I drew the report at that time to try to find out. I never knew that he had been a numbers writer or was at that particular time.

Mr. HALLEY. You have learned it since?

Mr. YOUNG. I have heard it.

Mr. HALLEY. You didn't know it at the time?

Mr. YOUNG. No, sir; positively not.

Mr. HALLEY. What did he give you as his reason for wanting to invest money in a business?

Mr. YOUNG. He just wanted to get into business. I mean he wasn't doing anything at the time.

Mr. HALLEY. Did you originally introduce him to Strunk?

Mr. YOUNG. Yes, sir; I did.

Mr. HALLEY. At that time, at the first meeting, was the subject of buying the company discussed?

Mr. YOUNG. Well, yes, I believe so. I think that was the occasion I introduced him.

Mr. HALLEY. Was it on your premises?

Mr. YOUNG. Yes; down at my place.

Mr. HALLEY. They both came and met?

Mr. YOUNG. Yes.

Mr. HALLEY. In an office?

Mr. YOUNG. Yes; in my place of business.

Mr. HALLEY. You sat in a little room somewhere?

Mr. YOUNG. Well, to be honest with you, I don't remember. We have an office downstairs.

Mr. HALLEY. Where did you talk?

Mr. YOUNG. We spoke in the office.

Mr. HALLEY. At that time the proposition was put up?

Mr. YOUNG. Yes; I told him, here is a man who comes well recommended to me. I sold him some machinery. I think he has a prosperous business. As a matter of fact, I think he showed me a statement where they had made about \$24,000 up to August, which, to my mind, showed the way they were going, they would make at the rate of about \$40,000. Later on it proved to be a phoney statement.

Mr. HALLEY. At this first meeting what was agreed?

Mr. YOUNG. They would go up and look at the place. I think a week or so later we all went up there and we looked at the place, to see what business they were doing. He was doing a structural-steel business and also making parts for escalators, moving stairs.

Mr. HALLEY. You are pretty sure at this first meeting you had to introduce Strunk to Crusco? They didn't know each other?

Mr. YOUNG. That is right.

Mr. HALLEY. You went right into this business deal, is that right?

Mr. YOUNG. I think there was a question of maybe a month or a couple of months.

Mr. HALLEY. At the first meeting the deal was put up, proposed?

Mr. YOUNG. It was mentioned. You see, it came about this way: Strunk said he was negotiating for a big contract, a \$600,000 deal.

He said keep it quiet, because that way we will get Campbell out. Don't mention anything to Campbell. Then I think he started to run to New York, up and back, and he would call Crusco, and one time in particular he called and said he had a \$600,000 deal signed, sealed, and delivered. That was supposed to have been a secret because the Government and Uncle Sam was not supposed to let it out. It later turned out to be a great fake.

Mr. HALLEY. At what point did Samuel get brought into the deal?

Mr. YOUNG. What I say about Samuel is only hearsay. I think at a later date he took Samuel and his boy up to look it over.

Mr. HALLEY. Were you present when the deal was closed?

Mr. YOUNG. No.

Mr. HALLEY. Were you present at the purchase?

Mr. YOUNG. No, sir.

Mr. HALLEY. Did you ever hear that the purchase was made with cash money?

Mr. YOUNG. Yes.

Mr. HALLEY. When did you hear that?

Mr. YOUNG. I heard that when he was gone up to pay for it. It was supposed to have been a sort of secret, the way I understood it, and they insisted on cash. Campbell insisted on cash.

Mr. HALLEY. Did you ever hear Campbell insist on cash?

Mr. YOUNG. No; I didn't.

Mr. HALLEY. Who told you that?

Mr. YOUNG. The only way—Crusco told me that. I said to him he must be foolish to take cash up. He said they insisted on it. Here is what happened—a little thing I would like to bring out: I knew Campbell before I knew Strunk. I knew he had been a businessman up in Pottstown. He had a pie place. When Strunk mentioned to me he wanted to buy Campbell's interest out, I called Campbell and said, "Lou, Strunk is talking about getting somebody to buy your interest. I don't want to hurt you. Is it all right for me to introduce him to this man?"

He said, "Yes"; so I said, "How is that business? Is it a good business?"

He said, as a matter of fact, "Why don't you buy it, Rube?"

I said, "If it's such a good business, Lou, why are you selling it?"

He said, "I want to retire." He says, "I bought a place at Beach Haven or something." As a matter of fact, he gave me the address, and to come and see him. Then they started negotiating, and that is when they took the money up there.

Later on, about a month or two afterward, I found out that they were broke; they had no money; the money that he had given was gone. I called Lou again.

"Lou, what did you do to this friend of mine that I introduced to you?" I said, "The guy tells me you are broke."

He said, "What is he doing, looking for trouble? If he is looking for trouble, I will give him plenty of trouble."

I said, "A guy like that ought to be ridden out of town on a rail." So his money was gone.

Mr. HALLEY. Did Crusco tell you it was his own money or did he tell you he had to borrow the money?

Mr. YOUNG. He insinuated he had to borrow the money. He said he didn't have it and had to borrow the money.

Mr. HALLEY. Did he insinuate he had to borrow it all?

Mr. YOUNG. I don't know. As a matter of fact, after I had introduced him, then they started negotiating themselves. I had very little to do with it.

Mr. HALLEY. Have you seen Crusco from time to time since?

Mr. YOUNG. I haven't seen him for quite a while. He came in for a while, and then gradually he disappeared.

Mr. HALLEY. Have you ever met Samuel?

Mr. YOUNG. Yes. I would say I have met Samuel maybe three or four times in my whole life.

Mr. HALLEY. After this deal?

Mr. YOUNG. Yes. He introduced me to him I think the time the negotiations were going to be made to go up to Royersford.

Mr. HALLEY. Who introduced you to Samuel?

Mr. YOUNG. I think the boy, as I recall it, Crusco's son introduced me to him.

Mr. HALLEY. You mean to young Samuel?

Mr. YOUNG. To young Samuel. He was supposed to get a job or something up there. I just don't remember where he met, but I think it was in connection with the telegram.

Mr. HALLEY. Were you told why young Samuel would get the job?

Mr. YOUNG. Was I told?

Mr. HALLEY. Yes.

Mr. YOUNG. No.

Mr. HALLEY. Why was their office going to be in your place of business?

Mr. YOUNG. As a matter of fact, they appreciated the fact that I brought them together. I rented them an office in my place for \$100 a month. I had an office on the second floor.

Mr. HALLEY. What was that to be used for?

Mr. YOUNG. To be used as their local office. You see the plant is about 40 miles from here. There was a lot of business to be secured in the Philadelphia area.

Mr. HALLEY. They were going to try to get business in the city of Philadelphia, weren't they?

Mr. YOUNG. Yes, sir. They paid me one month's rent and then they owed me for about three. Finally they sent me some aluminum, I think, to cover what they owed me.

Mr. HALLEY. Did young Samuel have as his job to get the business here in Philadelphia?

Mr. YOUNG. He was a bookkeeper or something. Yes, he tried to get business for them. He kept calling.

Mr. HALLEY. Who was in this office in your place?

Mr. YOUNG. Mr. Crusco was there and young Samuel, and then Strunk would come in occasionally.

Mr. HALLEY. Young Samuel and Crusco were trying to get business around Philadelphia, is that right?

Mr. YOUNG. Right.

Mr. HALLEY. Were they trying to get city business? Was that ever discussed?

Mr. YOUNG. I don't know.

Mr. HALLEY. Business from the city of Philadelphia?

Mr. YOUNG. I don't know. I will be honest with you, I don't know. I know they got an order from the RPT. As far as the city goes, I don't know.

Mr. HALLEY. That is all, thank you very much.

The CHAIRMAN. Wasn't there a meeting at one time where you had lunch with these people, Samuel senior and young Samuel and Crusco and yourself and Miss Arnold, the lawyer?

Mr. YOUNG. No. I don't recall having lunch.

The CHAIRMAN. Didn't they meet at your place one time, all of them?

Mr. YOUNG. The young fellow did, the boy did. As a matter of fact, the first time we went there, Senator, Mr. Strunk, I believe, and Mr. Campbell took us to some country club to have lunch, not the old man. I don't remember ever having lunch with them.

The CHAIRMAN. Wasn't the matter discussed that if we got the boy in there, they could get the business of the city?

Mr. YOUNG. That may have been, Senator.

The CHAIRMAN. You heard it discussed, didn't you?

Mr. YOUNG. No, I didn't. They had their office. You see, my office was downstairs. Theirs was upstairs. We didn't spend too much time with them. I mean on the face of it it would have been a good idea.

The CHAIRMAN. On the face of it, everybody understood that was the idea.

Mr. YOUNG. Sure. After all, they were going to try to get business I would say so, but as a matter of fact they went broke right afterward.

The CHAIRMAN. You understood that was the idea, that they were getting the boy in and getting an office down here and they were going to try to get city business.

Mr. YOUNG. No, that wasn't the thing, Senator. May I tell you what really brought the deal on? In fact, he said he had this big contract, \$600,000 contract from these people.

The CHAIRMAN. I am talking about moving the office down here. You see they hadn't had an office here before, had they?

Mr. YOUNG. No. I rented them an office.

The CHAIRMAN. They were renting an office down here from you?

Mr. YOUNG. Right.

The CHAIRMAN. The idea of that was to try to get some business here is Philadelphia, wasn't it?

Mr. YOUNG. That is right.

The CHAIRMAN. Who were they going to get business from?

Mr. YOUNG. From the structural iron. You see, what they did, building was going to start to coming up then, in 1948, and they did iron work, structural work. I don't think—

The CHAIRMAN. They were going to sell some new sort of fire plugs, too, weren't they?

Mr. YOUNG. Yes; they had an idea on some fire plugs.

The CHAIRMAN. That was going to be city business?

Mr. YOUNG. I wouldn't doubt it a bit.

The CHAIRMAN. How about some of these things on concrete?

Mr. YOUNG. Rollers.

The CHAIRMAN. Concrete rollers? Wasn't that going to be sold to the city?

Mr. YOUNG. No; I don't think so. That was more like for a lawn. They took a piece of pipe and filled it with cement.

The CHAIRMAN. Didn't they have some ends on the concrete pipes?

Mr. YOUNG. I don't know, Senator. They didn't last that long.

The CHAIRMAN. How much rent did they pay you a month?

Mr. YOUNG. They were supposed to pay \$100 a month.

Mr. HALLEY. When did they go into your place?

Mr. YOUNG. I think right after they passed the money. I think right after Crusco gave him the money.

Mr. HALLEY. Did young Samuel go right into that office in your place?

Mr. YOUNG. Yes; he stayed there for a little while.

The CHAIRMAN. Did he spend any time up at the plant?

Mr. YOUNG. Very little. He would go up. I think he went up on payday.

The CHAIRMAN. The advantage to you was that you sold the steel company.

Mr. YOUNG. The machinery.

The CHAIRMAN. Of course, if they could get more business, you would get more business?

Mr. YOUNG. That is right. As a matter of fact, just like I told you, I got into an awful lot of trouble. They couldn't pay. Out of appreciation for what I did before they started battling they gave me some merchandise to cover my end, which I in turn paid the fellow I guaranteed the account for.

The CHAIRMAN. It has been testified here that you said that Crusco was in the numbers business, but you thought he was a pretty good fellow and you would like to see him get out.

Mr. YOUNG. Senator, that isn't so. As a matter of fact, I was doubtful myself. I couldn't find out what he did. That is what prompted me. Strunk said to me a couple of times what does Louis do. What is his business. I said I don't know. That is why we drew the report.

The CHAIRMAN. That is all. Anything else?

Mr. HALLEY. Do you sell any stuff to the city?

Mr. YOUNG. No, sir.

Mr. HALLEY. Have you ever?

Mr. YOUNG. Never.

Mr. HALLEY. It was pretty well understood that the purpose of having young Samuel here was because his grandfather was the mayor, wasn't it?

Mr. YOUNG. No, I don't think so. The way I understand it, I think they are pretty good friends, Crusco and Mr. Samuel. I think the boy was just at the age where they wanted to put him some place. It could have been in the automobile business, which he eventually went into.

Mr. HALLEY. Where did you get the impression that Crusco and Samuel—you mean the father now?

Mr. YOUNG. Yes.

Mr. HALLEY. Were good friends?

Mr. YOUNG. I had occasion to call them a couple of times.

Mr. HALLEY. Call whom?

Mr. YOUNG. I had to call Crusco. You see, I would call his home and he had told me to reach him at the club. They had a club downtown some place. I believe they are either members of the same club or they are pretty friendly.

Mr. HALLEY. Who told you they were pretty friendly?

Mr. YOUNG. They were associated. If you call them at the club and they are there, I would put two and two together.

Mr. HALLEY. Did you ever go out to the club with them?

Mr. YOUNG. I went down there one time before this lawsuit. You know they had Campbell arrested and Strunk arrested. We went down—I went down there one time to see them. I was supposed to be a witness in the case.

Mr. HALLEY. To see whom?

Mr. YOUNG. To see Crusco. He was at the club and Samuel was there.

Mr. HALLEY. Samuel helped Crusco in this deal, is that right?

Mr. YOUNG. He was very friendly with him, I will tell you that.

The CHAIRMAN. Has Samuel been arrested too?

Mr. YOUNG. Samuel? No.

The CHAIRMAN. No; Campbell.

Mr. YOUNG. Yes; Campbell was held. He has been indicted. As a matter of fact, there was supposed to have been a trial, this is the second postponement they got. It was postponed. It was supposed to have been this week, Monday, I believe.

The CHAIRMAN. All right.

Mr. KLEIN. Mr. Rice has a question.

Mr. RICE. Going back to Crusco, you knew him for several years and you knew he had a Cadillac?

Mr. YOUNG. Yes.

Mr. RICE. Didn't you know what he did?

Mr. YOUNG. No, sir.

Mr. RICE. Didn't you have the impression that he in going into this business was going legitimate?

Mr. YOUNG. There might have been in my mind at that time, but I wasn't sure what his business was. I couldn't find out. I know he wanted to go into something.

Mr. RICE. Whatever it was he was in, he wanted to get into something legitimate?

Mr. YOUNG. Right. The way he told me he had 10 or 8 children and he was looking for something you see. When the opportunity came along, we are not in that business. When I made the deal we didn't get any commission or anything. I was just trying to get two people together. Strunk was a customer. He was looking for something to do. I am sorry I ever saw them.

Mr. RICE. Thank you.

The CHAIRMAN. All right, thank you, sir. That is all.

Mr. YOUNG. Thank you.

The CHAIRMAN. Mr. Taylor, will you hold up your hand. Do you solemnly swear the testimony you will give this committee will be the whole truth and nothing but the truth, so help you God?

Mr. TAYLOR. I do.

TESTIMONY OF HERMAN TAYLOR, PHILADELPHIA, PA.

Mr. KLEIN. What is your full name?

Mr. TAYLOR. Herman Taylor.

Mr. HALLEY. And your address?

Mr. TAYLOR. 1901 Walnut Street, Philadelphia.

Mr. HALLEY. In what business are you?

Mr. TAYLOR. Boxing promoter.

Mr. HALLEY. How long have you been in that business?

Mr. TAYLOR. Over 40 years.

Mr. HALLEY. Have you any other business?

Mr. TAYLOR. Not now; no, sir.

The CHAIRMAN. You have been in the boxing promotion business 40 years?

Mr. TAYLOR. Since I was 13 years old, I am 63 now, but I have been promoting boxing for over 40 years.

Mr. HALLEY. What other businesses have you had?

Mr. TAYLOR. About 16 or 18 years ago I had an interest in a place in Atlantic City with a man by the name of Phil Barr.

Mr. HALLEY. What kind of business was that?

Mr. TAYLOR. It was a gambling house.

Mr. HALLEY. What was the name of it?

Mr. TAYLOR. It had no name.

Mr. HALLEY. Do you remember the location?

Mr. TAYLOR. Yes. No. 4 South Missouri Avenue.

Mr. HALLEY. Have you had any other gambling business?

Mr. TAYLOR. I worked for the Maryland Athletic Club.

The CHAIRMAN. How long did this go on in Atlantic City?

Mr. TAYLOR. I would say maybe 7 or 8 years.

The CHAIRMAN. What was your partner's name?

Mr. TAYLOR. Philip J. Barr. He is dead now.

Mr. HALLEY. What did you do at the Maryland Athletic Club?

Mr. TAYLOR. I was employed there to cover the race tracks in the fall and in the spring of the year.

Mr. HALLEY. Who paid you?

Mr. TAYLOR. James A. LaFontaine.

Mr. HALLEY. How did you happen to meet LaFontaine?

Mr. TAYLOR. He is an old friend of our family's for all of 40 years.

Mr. HALLEY. Did you need a job at that time?

Mr. TAYLOR. The boxing business was very bad; yes, sir; at that particular time.

The CHAIRMAN. When was this?

Mr. TAYLOR. Sir?

The CHAIRMAN. When was this?

Mr. TAYLOR. I would say about maybe 12 or 13 years ago.

Mr. HALLEY. Did you go down to see LaFontaine?

Mr. TAYLOR. No; he was passing through Philadelphia, and he offered me the job.

Mr. HALLEY. You took care of the horse book there?

Mr. TAYLOR. No, no. I covered the race tracks, I say. I sent business to the place.

Mr. HALLEY. I see. Did you function in the place at all?

Mr. TAYLOR. No, sir.

Mr. HALLEY. What would you do covering the race track?

Mr. TAYLOR. The people that I would meet that I thought would like to play, I would talk to them about going there.

Mr. HALLEY. Were you ever in the place?

Mr. TAYLOR. Yes, sir.

Mr. HALLEY. Did you play there?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Did you ever see Willie Weisberg there?

Mr. TAYLOR. In the place? No, sir.

Mr. HALLEY. Did you ever see him around the place?

Mr. TAYLOR. I can't say that I did; no, sir.

Mr. HALLEY. Did you ever see Herman Stromberg there?

Mr. TAYLOR. No, sir.

Mr. HALLEY. If either of them said they saw you there would they be telling an untruth?

Mr. TAYLOR. That they saw me in the place?

Mr. HALLEY. Yes.

Mr. TAYLOR. It is possible that they could have seen me in there and I didn't see them, because it is a very large place.

Mr. HALLEY. Were you ever there together?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Either Weisberg or Stromberg?

Mr. TAYLOR. No, sir.

Mr. HALLEY. You are sure of that?

Mr. TAYLOR. Definitely.

Mr. HALLEY. What other gambling businesses have you either been in or been connected with?

Mr. TAYLOR. Never nothing else in my life.

Mr. HALLEY. Nothing else of any kind, nature, or description?

Mr. TAYLOR. No, sir.

The CHAIRMAN. How long were you with Jimmie LaFontaine down there?

Mr. TAYLOR. I think about 13 years or more.

The CHAIRMAN. You worked with him 13 years?

Mr. TAYLOR. Yes; on and off. They weren't open all the time, sir.

The CHAIRMAN. Up until when did you work with him?

Mr. TAYLOR. Until they closed 3 years ago last September—that last month, rather.

Mr. HALLEY. Did you have any interest in the Green Oaks?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Do you know what Green Oaks is?

Mr. TAYLOR. I knew that Mr. LaFontaine owned a property called Green Oaks, but what they did there I had nothing at all to do with.

Mr. HALLEY. That was at Silver Hill, Md., was it not?

Mr. TAYLOR. That I couldn't honestly answer.

Mr. HALLEY. Were you never in Green Oaks?

Mr. TAYLOR. No, sir.

Mr. HALLEY. You had no interest whatsoever in it?

Mr. TAYLOR. Never; no, sir.

Mr. HALLEY. Were you ever convicted of a crime?

Mr. TAYLOR. I was never arrested in my life for anything.

Mr. HALLEY. Never arrested at all?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Were you arrested in 1922 with Doc Cooch?

Mr. TAYLOR. Never.

Mr. HALLEY. For operating a gambling establishment at 5, South Missouri Avenue, Atlantic City?

Mr. TAYLOR. No, sir; that is not true.

Mr. HALLEY. You did operate that gambling establishment, did you not?

Mr. TAYLOR. I had an interest in the place. I think the address, you say 5. It could have been 5. I thought it was 4.

Mr. HALLEY. Possibly.

Mr. TAYLOR. I may be wrong. I was never arrested; no, sir.

Mr. HALLEY. Did Doc Cooch have any connection with it?

Mr. TAYLOR. He worked there and had a small interest.

Mr. HALLEY. You say you were never arrested?

Mr. TAYLOR. No, sir.

Mr. HALLEY. I am not asking if you were convicted. Were you arrested?

Mr. TAYLOR. I was never arrested in my life for anything; no, sir.

The CHAIRMAN. Have you got the record here?

Mr. HALLEY. We have a memorandum on it. We don't have an actual record. He may be right.

Mr. TAYLOR. I am definitely right, Senator. I was never arrested in my life.

Mr. HALLEY. That is a strong and definite statement.

Mr. TAYLOR. That is exactly right; yes, sir.

Mr. HALLEY. You have never been indicted?

Mr. TAYLOR. Never.

Mr. HALLEY. You know Cappy Hoffman?

Mr. TAYLOR. Yes, sir.

Mr. HALLEY. How long have you known him?

Mr. TAYLOR. Oh, I have known the boy since I was a kid. He came down to the Atlantic City place as a preliminary boxer. I think he fought one fight at the old Walsh Green. That was a boxing club down there.

Mr. HALLEY. Where are you promoting boxing today?

Mr. TAYLOR. I am out of business. I am just about going back. I have been out of business for 2 years.

Mr. HALLEY. On what have you been living?

Mr. TAYLOR. I have earned pretty good money when I was operating.

Mr. HALLEY. What was the last fight promoting you did?

Mr. TAYLOR. The 14th of December 1948.

Mr. HALLEY. What fight did you promote?

Mr. TAYLOR. An exhibition contest between Arturo Godoy and Joe Louis.

Mr. HALLEY. Where was that?

Mr. TAYLOR. Convention Hall here in Philadelphia. He is from Chile.

Mr. HALLEY. During all that time you also continued working for Jimmie Fontaine?

Mr. TAYLOR. Those years when they were open. They weren't open regularly, sir.

Mr. HALLEY. If you were making good money in the fight business, why did you—

Mr. TAYLOR. I took that job at that particular time, and I welcomed it because the boxing business when I went down there was not so good.

Mr. HALLEY. You keep that job on even though the boxing business improved?

Mr. TAYLOR. That is right.

Mr. HALLEY. Why did you do that?

Mr. TAYLOR. To earn money, of course.

Mr. HALLEY. Did it pay very well?

Mr. TAYLOR. Truthfully, I will tell you, I never had any stipulated arrangements with Mr. LaFontaine. If they had a good season, he would take very good care of me, and if the season was not so good, I would get naturally a little bit less.

Mr. HALLEY. What is the most you ever got from LaFontaine in any season?

Mr. TAYLOR. In any one year I would say \$20,000.

Mr. HALLEY. And the least?

Mr. TAYLOR. It was very little, you know, sometimes maybe about \$4,000, \$5,000 maybe.

Mr. HALLEY. Your pay depended on what he earned rather than on what you produced?

Mr. TAYLOR. That is right. Well, I wouldn't particularly say that. He was kind of a generous old gentleman. He treated everybody like that who worked for him.

Mr. HALLEY. There was no effort to check up on what you produced?

Mr. TAYLOR. Oh, no, no.

Mr. HALLEY. You were just in on the profits; is that right?

Mr. TAYLOR. I wouldn't put it that way, sir; no. I wouldn't say I was in on the profits. It was just up to him. If he felt like being a bit more generous, he usually was that way.

Mr. HALLEY. Did he pay you by cash or in check?

Mr. TAYLOR. Oh, no. They never had any check transactions in those places.

Mr. HALLEY. What would you do, go down there and get paid off, or did he come up here?

Mr. TAYLOR. Oh, no; I would be down there.

Mr. HALLEY. Would you say that in no year it was never in excess of \$20,000?

Mr. TAYLOR. I don't think I ever received over \$20,000 in one year in my lifetime in the time I was there; no, sir.

Mr. HALLEY. Did you ever give any part of what you received to anyone else? In other words, did you split your take from the Maryland Athletic Club with anyone else?

Mr. TAYLOR. No, sir.

Mr. HALLEY. At no time?

Mr. TAYLOR. No, sir.

Mr. HALLEY. What was the net profit to the Louis-Godoy fight?

Mr. TAYLOR. It was a loss.

Mr. HALLEY. It was a loss?

Mr. TAYLOR. Yes, sir.

Mr. HALLEY. What was the net result of your fight promoting during the year 1948?

Mr. TAYLOR. I lost money that year. I would say, if I did make any money, it was very, very little.

Mr. HALLEY. What was your last profitable year in the fight-promotion business?

Mr. TAYLOR. That is the last year I promoted, sir.

Mr. HALLEY. What was your last profitable year?

Mr. TAYLOR. The big year I would say 1946, 1946 or 1947. I forget which. That was the year we had Williams and Montgomery fight. That was a big year.

Mr. HALLEY. What was your net that year?

Mr. TAYLOR. I think I paid an income that year in the neighborhood of \$50,000.

Mr. HALLEY. That much tax or that much income?

Mr. TAYLOR. Oh, no; not that much tax. About half of that. I think the Government got \$25,000.

Mr. HALLEY. And you got \$25,000?

Mr. TAYLOR. Don't hold me to that to the penny or to the dollar. It is in that neighborhood. I would say that I earned in that year between both places, boxing and that place, around \$50,000 or a little more; and the Government got, I would say, around \$20,000 or \$25,000 in taxes.

Mr. HALLEY. What was your income in 1946?

Mr. TAYLOR. That is the year I am talking about, I think.

Mr. HALLEY. How about 1945? Did you have a good year then?

Mr. TAYLOR. Fair, I would say.

Mr. HALLEY. Did you have any records here of your income?

Mr. TAYLOR. Yes, sir.

Mr. HALLEY. May we have them, please?

The CHAIRMAN. Are they outside?

Mr. TAYLOR. Yes, sir.

The CHAIRMAN. Can somebody get your brief case?

Mr. TAYLOR. There is no brief case. I have them wrapped up in a paper.

Mr. HALLEY. In any event, since 1946 you have been living on your accumulated savings?

Mr. TAYLOR. Yes.

Mr. HALLEY. Did you have a bank account in 1946?

Mr. TAYLOR. Oh, yes.

Mr. HALLEY. Do you still have?

Mr. TAYLOR. A personal account?

Mr. HALLEY. Any kind of account.

Mr. TAYLOR. I had a personal account at the Pennsylvania Co.

Mr. HALLEY. In what city?

Mr. TAYLOR. Philadelphia, here. And I had an account at the Broad Street Trust Co. for the boxing business.

Mr. HALLEY. You separated them?

Mr. TAYLOR. I didn't want to keep the two together.

Mr. HALLEY. Do you still have your account in the Pennsylvania Co.?

Mr. TAYLOR. I closed it when I quit in 1948, but I just reopened it again because I am going back to work again and I wanted to keep my personal account separate from the boxing account.

Mr. HALLEY. Between 1948 and today did you have any bank account?

Mr. TAYLOR. Yes.

Mr. HALLEY. Where?

Mr. TAYLOR. Broad Street Trust Co.

Mr. HALLEY. You say that is for the business?

Mr. TAYLOR. But I closed that out. I wasn't in business at the time.

Mr. HALLEY. Where did you have a bank account between 1948 and today?

Mr. TAYLOR. Between 1948 and today at the Broad Street.

Mr. HALLEY. Which is the Broad Street? Is that your personal account at the Broad Street?

Mr. TAYLOR. No, the Pennsylvania Co.

Mr. HALLEY. When did you close out the Pennsylvania?

Mr. TAYLOR. When I stopped operating boxing in 1946, because I used that account at the Broad Street Trust Co. for my personal use because I was out of business.

Mr. HALLEY. I see. And you have kept the Broad Street account ever since?

Mr. TAYLOR. That is right.

Mr. HALLEY. Have you had any other bank account?

Mr. TAYLOR. Yes. I keep a little bank account in Atlantic City for petty bills for household. Mrs. Taylor lives down there, you know, to pay gas and electric bills.

Mr. HALLEY. In what bank do you keep that?

Mr. TAYLOR. The Boardwalk National Bank.

Mr. HALLEY. Did you keep any sums of cash?

Mr. TAYLOR. I don't have no cash.

Mr. HALLEY. You don't have a safety deposit box?

Mr. TAYLOR. I do. I didn't say I didn't. Of course I do.

Mr. HALLEY. Where do you have that?

Mr. TAYLOR. At the Broad Street Trust Co.

Mr. HALLEY. Do you keep any cash in that?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Have you ever?

Mr. TAYLOR. Yes; at times I have had cash in there, but there is no cash there now. There hasn't been any cash for quite a little while. I haven't had any cash to put in there.

Mr. HALLEY. What is the largest amount of cash you ever had in there?

Mr. TAYLOR. Not too much, not too much.

Mr. HALLEY. Did you know Al Capone?

Mr. TAYLOR. Yes, sir; I did.

Mr. HALLEY. When did you first meet him?

Mr. TAYLOR. I met him in Atlantic City in D'Agastino's home, all of maybe 20 years ago.

Mr. HALLEY. And did you keep up an association with him?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Did you ever receive him in your home?

Mr. TAYLOR. Never in my house; no, sir.

Mr. HALLEY. He never came to your house?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Did you see Al Capone when he came out of jail and after he served a sentence for carrying a gun in Philadelphia?

Mr. TAYLOR. I saw him on his way home to Chicago; yes.

Mr. HALLEY. What were the circumstances?

Mr. TAYLOR. Everybody went to see him. Nothing in particular, just to say good-bye or something like that.

Mr. HALLEY. Where did you see him?

Mr. TAYLOR. I think at the North Philadelphia Station.

Mr. HALLEY. Did he come to Atlantic City on that occasion?

Mr. TAYLOR. No; he went right to Chicago.

The CHAIRMAN. When was this?

Mr. HALLEY. 1930, wasn't it?

Mr. TAYLOR. It could be.

Mr. HALLEY. March 1930.

Mr. TAYLOR. I am not positive, but it could be. That is about right. I would say.

Mr. HALLEY. Did you have occasion to write to Capone while he was in jail?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Your name appears on the list.

Mr. TAYLOR. That is not true. I could possibly have sent him a Christmas card, if you call that writing. I would do that.

Mr. HALLEY. As a matter of fact, you appear twice on this mailing list.

Mr. TAYLOR. It could have been Christmas cards.

Mr. HALLEY. Did you ever write him from Miami Beach?

Mr. TAYLOR. Not that I recall; no sir.

Mr. HALLEY. From the Palmford Apartments?

Mr. TAYLOR. I lived there, it is true.

Mr. HALLEY. Is it possible you wrote him from there?

Mr. TAYLOR. It is possible. I wouldn't say I didn't for sure but I honestly don't remember ever doing so.

Mr. HALLEY. Do you know any of the Fischettis?

Mr. TAYLOR. Yes, sir; I know Charlie Fischetti.

Mr. HALLEY. Do you know Rocco Fischetti?

Mr. TAYLOR. His brother; yes, I do.

Mr. HALLEY. How long have you known Fischetti?

Mr. TAYLOR. Oh, I wouldn't know, say about 14 or 15 years.

Mr. HALLEY. When did you last see Charlie Fischetti?

Mr. TAYLOR. I saw Charlie Fischetti last February in Miami.

Mr. HALLEY. How long did you spend in Miami last year?

Mr. TAYLOR. Ten days.

Mr. HALLEY. Where did you stay?

Mr. TAYLOR. Mrs. Taylor and I had an apartment. Mrs. Taylor and myself and my sister went down there and my sister remained with her. We had an apartment away uptown at Seventy-sixth Street or Seventy-eighth Street.

Mr. HALLEY. How long did Mrs. Taylor stay there?

Mr. TAYLOR. She stayed there for 2½ months; she and my sister.

Mr. HALLEY. Do you own an automobile?

Mr. TAYLOR. Yes, sir.

Mr. HALLEY. What kind?

Mr. TAYLOR. It is a 1947 Lincoln.

Mr. HALLEY. You say you saw Fischetti in Miami last winter?

Mr. TAYLOR. I saw him at Twenty-third and Collins Avenue for just a minute or two.

Mr. HALLEY. Did you talk to him?

Mr. TAYLOR. I said, "Hello" and shook hands with him; yes, sir.

Mr. HALLEY. Do you know Jack Guzik?

Mr. TAYLOR. Guzik? Yes, I do.

Mr. HALLEY. When did you last see him?

Mr. TAYLOR. Oh, I haven't seen him in years.

Mr. HALLEY. Do you know Murray Humphreys?

Mr. TAYLOR. By reputation.

Mr. HALLEY. Have you ever met him?

Mr. TAYLOR. Maybe once or twice. I can't recall, but it strikes me that I have.

Mr. HALLEY. Do you know Tony Accardo?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Do you know Meyer Lansky?

Mr. TAYLOR. Yes, sir.

Mr. HALLEY. How did you meet him?

Mr. TAYLOR. Well, I met Lausky around New York at the fights in Madison Square Garden. Someone introduced us, introduced me to him.

Mr. HALLEY. Did Rosen introduce you to him?

Mr. TAYLOR. It is possible. I know Rosen very well.

Mr. HALLEY. Did you ever see Lansky in Atlantic City?

Mr. TAYLOR. It is possible that I did.

Mr. HALLEY. Did he ever go to your apartment?

Mr. TAYLOR. Oh, no.

Mr. HALLEY. Has Charlie Fischetti ever been in your apartment?

Mr. TAYLOR. No, sir. Charlie Fischetti was in Atlantic City and he called at our house to say hello and didn't remain there very long. I would say maybe an hour or half an hour, something like that and went on about his business.

Mr. HALLEY. Was that Atlantic City?

Mr. TAYLOR. Yes, sir.

Mr. HALLEY. Has he ever been to your house at Miami?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Have you ever been to Hot Springs, Ark.?

Mr. TAYLOR. I have. I used to go there with Mr. LaFontaine.

Mr. HALLEY. When were you last there?

Mr. TAYLOR. Five or six years ago.

Mr. HALLEY. Did you ever go there with Stromberg?

Mr. TAYLOR. Never.

Mr. HALLEY. Did you ever meet Weisberg there?

Mr. TAYLOR. Never, no, sir.

Mr. HALLEY. Was Atlantic City where you were this past summer?

Mr. TAYLOR. Oh, yes. Mrs. Taylor has a home down there.

Mr. HALLEY. Are you familiar with conditions in Atlantic City?

Mr. TAYLOR. Yes, pretty much.

Mr. HALLEY. There was open bookmaking there this summer, wasn't there, unrestricted?

Mr. TAYLOR. I wouldn't say so. If it was, it was done very, very quietly.

Mr. HALLEY. Was there gambling at night clubs?

Mr. TAYLOR. Not at any place that I knew of; no, sir.

Mr. HALLEY. Were you in the Surf Club?

Mr. TAYLOR. You mean the bath and surf club? I was in the cafe part but never in the casino room that you refer to.

Mr. HALLEY. Did you hear there was a casino room in that club?

Mr. TAYLOR. There was, of course there was.

Mr. HALLEY. Wasn't that operating this summer?

Mr. TAYLOR. Not that I knew of; no, sir.

Mr. HALLEY. Was it operating the previous summer, the summer of 1949?

Mr. TAYLOR. That I couldn't tell you.

Mr. HALLEY. What do you think?

Mr. TAYLOR. It is possible.

Mr. HALLEY. Was the 500 Club operating gambling in 1949?

Mr. TAYLOR. I don't know if the 500 Club had any gambling at all because I don't know where they could gamble in that place. What I saw, the front of it is a bar and the back of it is a kind of night club.

Mr. HALLEY. Before the back of it became a night club, didn't they have gambling in the back?

Mr. TAYLOR. That wouldn't be 1949.

Mr. HALLEY. Not much of a night club?

Mr. TAYLOR. Well, it is a small place. They had good acts there. Joe Louis and those kind of fellows are pretty good attractions, I should think.

Mr. HALLEY. It was pretty crowded, wasn't it?

Mr. TAYLOR. Jammed, you couldn't move around. It is not as big as this room.

Mr. HALLEY. It wasn't supposed to be a night club, obviously, that back room.

Mr. TAYLOR. It was used for a night club.

Mr. HALLEY. It was supposed to be a gambling room?

Mr. TAYLOR. I wouldn't say so. I don't think it is fair for you to ask me.

Mr. HALLEY. Did you see any gambling this summer?

Mr. TAYLOR. Not that I know of.

Mr. HALLEY. You can't help the committee on that?

Mr. TAYLOR. I would like to help if I could, but I don't want to lie about it.

Mr. HALLEY. There has been gambling in recent years, hasn't there?

Mr. TAYLOR. I would think there was, yes; but I tell you I haven't had anything to do, as I told you, in that line in Atlantic City in the last 16 years, maybe 18 years. So I wouldn't have a good idea of it, but I imagine there could have been some gambling down there.

Mr. HALLEY. Did you ever meet Frank Costello?

Mr. TAYLOR. I met Mr. Costello in Dinty Moore's Restaurant. I probably met him twice in my whole life.

Mr. HALLEY. Did you speak to him?

Mr. TAYLOR. Oh, yes.

Mr. HALLEY. Who introduced you?

Mr. TAYLOR. A man by the name of Billie Gibson, who used to manage Bennie Leonard.

Mr. HALLEY. Did you ever meet James Lynch?

Mr. TAYLOR. James Lynch? I don't know the name.

Mr. HALLEY. He operates in New Jersey.

Mr. TAYLOR. I don't know him.

Mr. HALLEY. Do you know Joe Adonis?

Mr. TAYLOR. By reputation.

Mr. HALLEY. You never met him?

Mr. TAYLOR. No, sir.

Mr. HALLEY. Do you know Little Augie Pisano?

Mr. TAYLOR. Oh, yes; I know him.

Mr. HALLEY. How do you know him?

Mr. TAYLOR. Through his father-in-law, Jimmie, a former fighter, and he had a night club down in Greenwich Village. He introduced me to him. He married his daughter.

Mr. HALLEY. Do you know him pretty well?

Mr. TAYLOR. Very well.

Mr. HALLEY. Did you introduce Stromberg to Little Augie Pisano, or did he introduce you?

Mr. TAYLOR. Oh, God, no.

Mr. HALLEY. Did you both just happen to know him?

Mr. TAYLOR. No, no, no. I tell you his father-in-law introduced me to him.

Mr. HALLEY. You knew Jimmie Kelly?

Mr. TAYLOR. Yes.

Mr. HALLEY. Just a coincidence that Stromberg knows him, too?

Mr. TAYLOR. I think anybody in the sporting line knew Jimmie Kelly in New York, and knew Augie. Everybody who was mixed up in boxing or anything like that would have to know him. Kelly was quite a good fighter in the old days.

Mr. HALLEY. Is Stromberg a pretty good friend of yours?

Mr. TAYLOR. I wouldn't say a bad friend. I wouldn't say an intimate friend.

Mr. HALLEY. You see him quite often, don't you?

Mr. TAYLOR. I saw him yesterday for the first time since last February. Would you call that an intimacy?

Mr. HALLEY. In recent years have you seen him more often?

Mr. TAYLOR. I saw him more often than that, of course, but I haven't seen him—I saw him truthfully in this place, and that is the first time I saw him since last February.

Mr. HALLEY. How about Willie Weisberg? Is he a good friend of yours?

Mr. TAYLOR. Very good.

Mr. HALLEY. How often do you see Weisberg?

Mr. TAYLOR. I see him as often as I hope to see him because I am very fond of him. He used to work for our family. He used to drive an automobile for our family, but that has been all of 15 or 16 years ago.

Mr. HALLEY. I hate to ask you this question about a friend, but I have to: What business is he in?

Mr. TAYLOR. I honestly can't answer that question. I don't know. Don't laugh, but that is the truth.

Mr. HALLEY. He says he has no legitimate business.

Mr. TAYLOR. I don't know what he told you, sir, but I will say this, if you couldn't take me on my oath I couldn't honestly tell you what line of business he is in.

Mr. HALLEY. He looks quite well.

Mr. TAYLOR. Oh, I don't know. He lives at Fiftieth and Spruce in a little bit of an apartment with a little kitchenette and one bedroom. Do you call that lavish?

Mr. HALLEY. He goes to Florida for the winter.

Mr. TAYLOR. Oh, that; you are asking me something else, you see. You were talking about living. That I don't know. I never inquired, but I will tell you truthfully I like the fellow and I like him very, very much.

Mr. HALLEY. You don't know what business he is in?

Mr. TAYLOR. No, sir; I honestly can't tell you.

Mr. HALLEY. Did you ever hear he was in the numbers business?

Mr. TAYLOR. I read it in the newspapers. It is common gossip all over the village around here. Everybody knows it.

Mr. HALLEY. Did you ever discuss it with him?

Mr. TAYLOR. Never; no.

Mr. HALLEY. Do you know any members of the police force of Philadelphia?

Mr. TAYLOR. Yes; I am glad you asked me that question. I am going to ask your permission to tell you something.

Mr. HALLEY. Shoot.

Mr. TAYLOR. You know why I am in here? My name was given to this committee, and it was given to Mr. Goldschein by a man who I had arrested as the superintendent of police—he is an assistant superintendent of police today—because he blackguarded me, and I had engaged Mr. Richardson Dilworth, and I had him arrested. He called me—if I may use the language—

The CHAIRMAN. Sure.

Mr. TAYLOR. There was a boy that was managing prize fighters. I want you gentlemen please to listen to this. This is the gospel truth. He owed me for 80 tickets at \$5 apiece. The box office was closed at Lou Tickler's Restaurant. The ticket man had left, and he phoned my office, and luckily I was in there. I went over to collect this money. The boy's name is Blinky Palermo. He manages Ike Williams and all those fighters. As he was counting the money down to me and he reached the \$360, he was to give me \$40 more, and his back was turned to the door; and Inspector Richardson—that is what he was at that time—came in and struck him behind and knocked him down and dragged him out on the street and came back. I don't know whether he had him arrested that night or not, but anyhow Blinky was gone, and he came back and I spoke to him, and I said, "I think that you ought to be ashamed of yourself for doing anything like that." I said, "if he committed a crime, why didn't you have him pinched instead of slugging him in front of all these people and all?"

He said, "You are as bad he is. And you are in cahoots with him, and you are nothing but a G——damned kike, and Hitler was right, and I will do the same to you."

I said, "You wouldn't do the same to me at all," and I went and had him arrested. He has blackguarded me all over this town. He threatened to get me mixed up with all the underworld and all that sort of thing, and I was taken sick with the typhoid fever, and when I came out of the hospital Mr. Walter Annenberg, the man who owns the Enquirer, sent for me and wrote me a letter, and I brought it down here to show you gentlemen and asked me to call the suit off, that it was bad on account of the racial situation. I stopped the suit. Mr. Richardson Dilworth is alive, and he can prove every word I am saying here. That has been 6 years ago. Is that right, Senator?

The CHAIRMAN. That is right.

Mr. TAYLOR. Sure. He promised—he told people he was going to humiliate me and drag me into this and connect me up with all the numbers and gangs and everything else, and I am as innocent of anything like that as a newborn baby. I will say this to you: Every member who is here, if it is a crime to know people, I am guilty. I know a lot of people. I know a lot of good people. I know doctors and lawyers. I know supreme court justices. I know the Honorable James McGranery here. I know, yes, people of the underworld. I am in a

business that brings me in contact with all elements of people. If that is a crime to know people, then yes, I am guilty. You can mark me down for whatever you like. But I never made 2 cents with any of those fellows in my life, so help me God, never, not 2 cents. I never was in business with them.

Mr. HALLEY. You have had occasion to make a lot of long-distance phone calls to a lot of people, haven't you?

Mr. TAYLOR. Of course. My business calls for that, sir. I get fighters. I have to get on an airplane and go to California and bring a fighter on.

Mr. HALLEY. For instance, you called the Fischettis quite often.

Mr. TAYLOR. I don't deny knowing those people.

The CHAIRMAN. Why would you be calling them so often? What would they have to do with fighting?

Mr. TAYLOR. I tell you, sir, there was a fighter that they were interested in at one time by the name of Eddie Shea, and I brought him to fight Bennie Bass around here. I wouldn't call him so often. I haven't spoken to Charlie Fischetti—I saw him last February. God knows when I spoke to him before that; if you have records there, look at them. This is the wrong thing this thing of dragging me into this.

Mr. HALLEY. You have called Mickey Cohen.

Mr. TAYLOR. He manages Willie Joyce. Indeed I did; very true; and brought him on. He fought Ike Williams.

The CHAIRMAN. Mickey Cohen managed who?

Mr. TAYLOR. Willie Joyce, of Chicago, a colored boxer. They fought at the arena and again at Convention Hall.

The CHAIRMAN. When was that?

Mr. TAYLOR. They fought twice for me. They fought—I honestly can't remember the years.

The CHAIRMAN. Ten years ago, five years ago?

Mr. TAYLOR. Not that long, sir.

The CHAIRMAN. Three years ago?

Mr. TAYLOR. I would say about 5 years ago. I would say about 5 years. They fought two fights for me.

The CHAIRMAN. Mr. Taylor, here is the thing. You called the Fischettis. You called Mickey Cohen about these people. Are most of these fighters being managed by people like them?

Mr. TAYLOR. Quite a lot of them, sir.

The CHAIRMAN. Would you say the majority of them?

Mr. TAYLOR. Not the majority, but quite a few.

The CHAIRMAN. How did they get into that business?

Mr. TAYLOR. I don't know. How do they get into any other line? I wouldn't know that, sir.

The CHAIRMAN. Who manages some other fighters? People like Mickey Cohen. What other people manage some? You know people that you read about as being in the rackets.

Mr. TAYLOR. I will tell you what I know. I remember this man that is so notorious all over the world, pretty near, that Luciano. He came to me one time with a fighter by the name of Lou Salica.

The CHAIRMAN. When was that?

Mr. TAYLOR. That has been a long time ago. I met him in Madison Square Garden, and the fellow brought him over and introduced me to him. I never met the man before. He told me he had a good fighter and he wanted me to manage him. I told him I couldn't man-

age a fighter because I was a promoter and we are not allowed to promote and manage boxers. I suggested a boy in his home town by the name of Hymie Kaplan, who incidentally developed——

The CHAIRMAN. I don't want to get into details. You mentioned Mickey Cohen, the Fischettis, and Luciano. Who else? Did Meyer Lansky have an interest in that?

Mr. TAYLOR. He wasn't in the boxing business that I know of; no, sir.

Mr. HALLEY. How about Frankie Carbo?

Mr. TAYLOR. I know him very well.

Mr. HALLEY. What is his business?

Mr. TAYLOR. I don't know what he is doing outside of monkeying around with boxers. He has boxers.

Mr. HALLEY. Is he a racket man, too?

Mr. TAYLOR. I don't know.

Mr. HALLEY. Isn't he?

Mr. TAYLOR. I can't swear to that. I can't prove that he is.

The CHAIRMAN. Do you think he is?

Mr. TAYLOR. He might be.

The CHAIRMAN. Who does he have?

Mr. TAYLOR. He has some fighters. I don't know whether they are under his management so far as commissions are concerned, but I think he has some boxers.

Mr. HALLEY. What business do you have with Longie Zwillman?

Mr. TAYLOR. None, never.

Mr. HALLEY. You have called him up on occasion?

Mr. TAYLOR. Oh, no.

Mr. HALLEY. It shows that you did.

Mr. TAYLOR. That is not true. I never called that man up in my life.

Mr. HALLEY. How long have you known Longie?

Mr. TAYLOR. I would say 10 or 12 years, something like that.

Mr. HALLEY. How did you happen to meet him?

Mr. TAYLOR. Around the fights, wanted tickets for a show that I had here one time between Hamis and Schmeling, or something, and called up for them.

Mr. HALLEY. I gather that the substance of your testimony is that you know all these fellows; you would be bound to meet them in the fight business because they are all interested in it?

Mr. TAYLOR. You meet all kinds of people in our business.

Mr. HALLEY. But these people take a more active participation. They either manage fighters——

Mr. TAYLOR. They are fight fans. They are great fight fans.

Mr. HALLEY. And a lot of them have pieces of fighters?

Mr. TAYLOR. I would say so. Yes; you are definitely right about that.

The CHAIRMAN. How about Joe Adonis? Does he have any fighters?

Mr. TAYLOR. Not that I know of.

The CHAIRMAN. Does Ben Rosen have any—"Nig" Rosen?

Mr. TAYLOR. Never that I knew of; no, sir.

The CHAIRMAN. Jack Dragna, out in California? Do you know him?

Mr. TAYLOR. No, sir; him I don't know.

The CHAIRMAN. How about these people in Kansas City? Do you know those people?

Mr. TAYLOR. The only promoter I knew in Kansas City, Senator, was a man by the name of Gabe Kaufman. I think he has since died, though. He used to run shows at Convention Hall. He was quite a successful promoter.

The CHAIRMAN. Was he a racket man?

Mr. TAYLOR. I don't think so. No, sir.

The CHAIRMAN. Do you know Binaggio or Gargotta or Gizzo out in Kansas City?

Mr. TAYLOR. None of those boys.

Mr. HALLEY. Did you know Lucky Luciano?

Mr. TAYLOR. I told you that I knew him. I told you how I met him. I met him in Madison Square Garden, and he had this fighter, this Lou Salica. I turned him over to Hymie Kaplan, who developed him into a world champion for him. That is history. Everybody knows that.

The CHAIRMAN. Would you say 50 percent of the boxers today are in the hands of these fellows you read about in the papers?

Mr. TAYLOR. I wouldn't say that, Senator. I would say quite a few are, but I wouldn't say 50 percent. I don't think half of them.

The CHAIRMAN. But a pretty big percentage?

Mr. TAYLOR. Yes; I would say quite a lot of them.

The CHAIRMAN. That is quick money, and it is exciting.

Mr. TAYLOR. You understand, we are not—I will tell you what happened. I will show you an instance. I talked to Cohen on the phone. I brought Willie Joyce—

The CHAIRMAN. Have you met Cohen personally?

Mr. TAYLOR. I was just getting to that. I went to California to see Williams fight a boy by the name of Balonas 2 years ago, and I signed Williams up to fight Beau Jack here in Philadelphia. I was in a restaurant, and who came in but Mickey Cohen. What am I supposed to do; run away from the fellow because he has the reputation of being a bad fellow? He came over to the table and made a big fuss over me. We sat down and we had a drink together, yes. I couldn't run away from the fellow. I had just given him \$9,000 for one fight and \$6,000 for another. My God, I don't sleep with them. I am not in business with them. That you can rest assured. I never was and I never will be. None of them.

Mr. HALLEY. Do you know Frank Sinatra?

Mr. TAYLOR. Not intimately. I did him a favor. He wanted to promote a fight in Los Angeles between Joey Maxon and Joe Walcott, and I arranged the show for him.

Mr. HALLEY. Was Blinky Palermo in that deal, too?

Mr. TAYLOR. No; that is not true. That is not true.

Mr. HALLEY. You know Palermo?

Mr. TAYLOR. Blinky Palermo? I know him. He has 20 fighters, I guess.

The CHAIRMAN. Is it known that Frank Sinatra manages fighters?

Mr. TAYLOR. He doesn't manage them. He promoted this one show, very much to his sorrow, incidentally, in Los Angeles.

The CHAIRMAN. Does he promote many shows?

Mr. TAYLOR. That is the only one that I ever knew that he promoted and he called me up. He tried to make a match and couldn't do it himself. He called me on the telephone and asked me if I would do it, and I made the match for him.

Mr. HALLEY. What year was this?

Mr. TAYLOR. I would say 3 years ago.

Mr. HALLEY. You state unequivocally that you have no connection with any gambling business?

Mr. TAYLOR. Outside of what I told you, I haven't had anything to do with gambling in Atlantic City for between 16 and 18 years, and my only interest was as an employee at the Maryland Athletic Club, which has been closed 3 years last month. I never had no other dealings anywhere.

Mr. HALLEY. Right up to the end of the Maryland Athletic Club in 1947 you did have income from them?

Mr. TAYLOR. Yes; but they weren't open regular. As I tell you, it was spasmodically.

Mr. HALLEY. Each year you drew some income?

Mr. TAYLOR. Not every year. We have had years we would miss, you know. They were closed one time for 2½ years, the place was, during the time that I was around there.

Mr. HALLEY. Do you know whether Stromberg had any interest in the Maryland Athletic Club?

Mr. TAYLOR. Definitely none that I know of. Listen, that man, nobody had any interest in that place but the man who owned it, and that was Mr. LaFontaine.

Mr. HALLEY. What dealings did you have with Julius Fink in Baltimore?

Mr. TAYLOR. None.

Mr. HALLEY. Did you know him?

Mr. TAYLOR. Just to see.

Mr. HALLEY. You called him up?

Mr. TAYLOR. No, no, no. I didn't call him up.

Wait a minute, maybe you are right. I called him up to get a lawyer for a lady that was suing her husband for nonsupport. You are right. I will tell you the lady's name, Mrs. Curseo. You are right.

Mr. HALLEY. Who was Tony Barata?

Mr. TAYLOR. He has that saloon in Atlantic City called the Escort Bar at Missouri and Atlantic Avenues.

Mr. HALLEY. Do you know whether he has a police record or not?

Mr. TAYLOR. Oh, no; he is all right.

Mr. HALLEY. Is he clean?

Mr. TAYLOR. Oh, yes. He is a nice boy.

Mr. HALLEY. What kind of saloon has he?

Mr. TAYLOR. One of the nicest you were ever in; a reasonable place. No; that is wrong.

Mr. HALLEY. Do you know Frank Erickson?

Mr. TAYLOR. No, sir; only by reputation. I have read about him. I don't know him to see or talk to.

Mr. HALLEY. He is on your phone list.

Mr. TAYLOR. I can't help it. I never talked to Frank Erickson in my life.

Mr. HALLEY. You never did?

Mr. TAYLOR. No, sir.

Mr. HALLEY. You know Charles Ford, of course?

Mr. TAYLOR. The lawyer in Washington; very well.

Mr. HALLEY. Has he ever represented you?

Mr. TAYLOR. Yes; he did.

Mr. HALLEY. In what matters?

Mr. TAYLOR. We had a tax matter here that he came up on, in this building, incidentally.

The CHAIRMAN. What is his name?

Mr. TAYLOR. Charles E. Ford. He is in the Columbian Building in Washington, Senator.

Mr. HALLEY. You remember him?

Mr. TAYLOR. He helped us straighten out a tax matter.

Mr. HALLEY. A criminal or civil matter?

Mr. TAYLOR. A civil thing. I had a partner who died, who didn't pay all the taxes, and it came back on me. I wound up having to pay it.

The CHAIRMAN. How much are you worth today, Mr. Taylor?

Mr. TAYLOR. When you say "worth," I will tell you truthfully I have carried no life insurance, Senator, and through the years we saved—I bought some securities for Mrs. Taylor, and she also owns that home in Atlantic City, and I have an automobile. I would say putting it all together, well, it might be worth \$80,000 or \$90,000, I would say.

The CHAIRMAN. How many times did you see Al Capone in your life?

Mr. TAYLOR. Not very often, sir.

The CHAIRMAN. Five or ten times?

Mr. TAYLOR. I would say maybe three or four times.

The CHAIRMAN. Did you see him in Miami occasionally?

Mr. TAYLOR. Occasionally? Not occasionally. I saw him twice, and I saw him here once; maybe I saw him four times. I don't know.

The CHAIRMAN. This money that you got down at Jimmie LaFontaine's, you deposited that in a bank?

Mr. TAYLOR. Not all of it. I would use some of it, leave some of it at home, deposit some of it.

The CHAIRMAN. Excuse me, Mr. Halley.

Mr. HALLEY. I was just about finished, Senator.

The CHAIRMAN. Anything else?

Your income here seems to range 30, 40, or 60 thousand dollars a year, off and on.

Mr. TAYLOR. It has in the last year I was in operation, Senator; and of course, the last 2 years, this year particularly, absolutely nothing. So I have been living on what both Mrs. Taylor and I had. I do know roughly that I paid, I am sure that I paid in 6 years, in the neighborhood of \$100,000 taxes to the Government, because I have those things up there to show that.

The CHAIRMAN. Did Jimmie LaFontaine smoke opium; do you know?

Mr. TAYLOR. I don't know that, sir. I know this, Senator. He was the nicest and kindest man I ever knew in my life.

The CHAIRMAN. You liked him very much?

Mr. TAYLOR. Very much. I have never liked my father any better.

Mr. HALLEY. How do you think he ever got to accumulate a million and a half dollars in cash? You remember that story; that it was found in his box?

Mr. TAYLOR. It wasn't found in his box. They found it, anyway, wherever it was.

Mr. HALLEY. It was there, all right.

Mr. TAYLOR. Yes. It was more than a million dollars.

Mr. HALLEY. A million and a half in cash.

Mr. TAYLOR. Charlie Ford told me that. He was a very, very shrewd operator, but I will say this, an honest man. The man never did a wrong in his life that I know of. He was honest. Every device that he had in his gambling house was honest. You could go in there blindfolded. I have seen as many as 600 people gambling at one time in that place. That is a very unusual thing. You don't run across that regularly.

Mr. HALLEY. What is the low-down on this Philadelphia situation?

Mr. TAYLOR. What I personally think?

Mr. HALLEY. Yes.

Mr. TAYLOR. I will tell you what I personally think. I don't say this with a grudge to this man that I spoke about, Richardson. He is rotten to the core. I think he is a grafter in his heart. I think he makes trouble for people that he can't get money from. I think all this is a little bit exaggerated.

I heard out there in that room before I came in here that he denied to his boss, Mr. Rosenberg, saying the things before this body. If he knew all that was going on, why didn't he tell his superiors about it?

He said that I was a "front" in Maryland for "Nig" Rosen. He said that, and that I was a stooge for him, and that I was one of his lieutenants in the numbers business. Why didn't he have me arrested? He knew it all those years.

Mr. HALLEY. Do you have that letter of Richardson's?

Mr. TAYLOR. Why didn't he have me arrested?

Mr. HALLEY. As a matter of fact, he said you were in the Maryland Athletic Club, that you front for "Nig" Rosen, and that you have run gambling houses all your life.

Mr. TAYLOR. All over the world, I guess. That is silly.

Mr. HALLEY. This is his statement.

Mr. TAYLOR. I know it is. And I am glad that you gentlemen find out what kind of man furnished you with the information that he did.

Mr. HALLEY. Do you think that anybody is paying off the police in Philadelphia?

Mr. TAYLOR. I think—this is a large city. I think there is a little bit of corruption in every town, big cities. But, when you talk about organized crime and all that, I don't believe it, as far as Philadelphia is concerned.

Mr. HALLEY. You get into trouble on this theory when you wonder where fellows like Weisberg and Rosen, friends of yours, make their money.

Mr. TAYLOR. Who gets in trouble?

Mr. HALLEY. I mean the theory.

Mr. TAYLOR. Oh. That is their business.

Mr. HALLEY. I know.

Mr. TAYLOR. I don't have to live with them. I don't have to do the things that they do, if they do anything. I don't know. I can't

honestly tell you that I know they are in the numbers business or in the gambling business. I told you that I was. I am trying to be honest with myself, because I took an oath to God that I would tell the truth. I am going to tell the truth. I didn't say I don't want to answer you. I am trying to cooperate.

Mr. HALLEY. You have answered. You have answered every question.

Mr. TAYLOR. I tried to. I have nothing to hide. I am not a saint; don't misunderstand me.

The CHAIRMAN. You go right on, and let the record show that I am leaving right now to go upstairs, but go on with your questions.

Mr. HALLEY. Thank you. As a matter of fact, we can go off the record. I would like to chat with you a little bit.

(Discussion off the record.)

(Thereupon, at 5:50 p. m., the hearing was adjourned, subject to call of the chairman.)

INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

MONDAY, FEBRUARY 19, 1951

UNITED STATES SENATE,
SPECIAL COMMITTEE TO INVESTIGATE
ORGANIZED CRIME IN INTERSTATE COMMERCE,
Washington, D. C.

The committee met, pursuant to adjournment, at 10:20 a. m., in room 457, Senate Office Building, Senator Estes Kefauver (chairman) presiding.

Present: Senators Kefauver, O'Connor, and Tobey.

Also present: Downey Rice, associate counsel; John L. Burling, associate counsel; and Joseph L. Nellis, assistant counsel.

(During the morning session, the committee heard the testimony of Louis E. Ricarddi, Detroit, Mich., which testimony is published in part 9 of the hearings of the committee, and Alfred Polizzi, Cleveland, Ohio, and Coral Gables, Fla., which testimony is published in part 6 of the hearings of the committee.)

AFTERNOON SESSION

(Also present: The same as heretofore noted with the following addition: Alfred M. Klein, associate counsel.)

The CHAIRMAN. The committee will come to order. The chairman, pursuant to resolution heretofore passed, designates himself as a committee of one to hold this hearing until Senator O'Connor returns, and he will be designated as the chairman of the subcommittee of one to proceed with the hearing.

This afternoon we have two witnesses who were heard previously in executive session in Philadelphia last October. Is that right?

Mr. KLEIN. October 13 and 14.

The CHAIRMAN. Harry Stromberg and William Weisberg.

Subsequent to that time Judge William A. Gray wrote the chairman of the committee a letter, in which he said he had talked the matter over with Mr. Stromberg and Mr. Weisberg, and that whereas they had refused to answer certain questions, that as a result of his discussion with them they are ready and willing to answer such questions which they refused to answer when examined. Pursuant to our general policy, before the citations are actually presented to the Senate, we give witnesses an opportunity to come in. We are glad to have the information they want to give. As to whether they relieve themselves of the action of the committee in voting citations for contempt or not is a matter that is left for the determination of the committee at a later time.

Mr. Klein is our associate counsel who handled the hearing in Philadelphia, and he will handle this one this afternoon.

Who is our first witness?

Mr. KLEIN. Mr. Stromberg.

The CHAIRMAN. Mr. Stromberg, you have been sworn, but I will swear you again. Do you swear the testimony you give the committee will be the whole truth, so help you God?

Mr. STROMBERG. I do.

The CHAIRMAN. I called Mr. Gray "Judge." I believe you are not a judge, are you?

Mr. GRAY. No, sir. I have called that to your attention before, if you please, Mr. Senator. I am not a member of the bench, only a member of the bar.

The CHAIRMAN. Yes, sir. Well, down South——

Mr. GRAY. They call them all judges.

The CHAIRMAN. (continuing). After a lawyer has been practicing 3 years, they call him a general, and then after 5 years, they call him a judge, and in Georgia after 10 years, they call him colonel.

Mr. GRAY. I have been practicing over 53 years, sir, so you can call me whichever you please.

The CHAIRMAN. All right, Mr. Klein, proceed.

FURTHER TESTIMONY OF HARRY STROMBERG, MIAMI BEACH, FLA., ACCOMPANIED BY WILLIAM A. GRAY, ATTORNEY, PHILADELPHIA, PA.

Mr. KLEIN. We have your address as 4236 Pinetree Drive, Miami Beach, Fla., Mr. Stromberg. Is that the same?

Mr. STROMBERG. Yes.

Mr. KLEIN. Do you still have a New York address?

Mr. STROMBERG. Yes, I have.

Mr. KLEIN. What address is that?

Mr. STROMBERG. 2701 Grand Concourse Avenue.

The CHAIRMAN. I didn't understand that.

Mr. STROMBERG. 2701 Grand Concourse Avenue, Bronx, N. Y.

Mr. KLEIN. Now at the executive session of the committee in Philadelphia on the 13th of October 1950, Mr. Halley was discussing with you your previous record of arrests and convictions, and he had come to a point where he asked you this question: "By the way, you were in the bootlegging business during the prohibition days?" and your answer was, "I refuse to answer that question on the ground it might incriminate me of a Federal offense."

Are you now prepared to answer that question?

Mr. STROMBERG. Yes.

Mr. GRAY. May I suggest to counsel for the committee——

The CHAIRMAN. Let's not take any pictures continuously. Get them as soon as possible and let's get these lights off. I see they are hurting counsel's eyes.

Mr. GRAY. May I suggest to counsel for the committee that if he looks a little further down that after consultation with his counsel he answered that question. Not that he won't answer it again, sir.

The CHAIRMAN. Suppose you just ask the questions that he didn't answer and then any questions, Mr. Klein, that come to your attention.

Mr. KLEIN. That was the first question, Mr. Chairman, that he had refused to answer, and Mr. Halley repeated it and said, "I am referring now to a period before the year 1932." And Mr. Stromberg said, "I refuse to answer on the ground it might incriminate me of a Federal offense."

Mr. Halley went on to say, "I advise you that the statute of limitations has obviously run on any national prohibition offense prior to 1932," and Mr. Stromberg said, "I still refuse to answer that question on the ground it might incriminate me of a Federal offense."

I see Mr. Gray is right. Further on, after consultation with Mr. Gray, he said, "I am advising him to answer." And Mr. Stromberg said, "Yes." Yes; very good.

Then we went on. Mr. Halley asked you: "Were you associated in that business with Abner Zwillman?" and your answer was, "I refuse to answer that question on the ground it might incriminate me of a Federal offense."

The CHAIRMAN. Ask the question and let's get on.

Mr. KLEIN. Were you associated in that business with Mr. Abner Zwillman?

Mr. GRAY. I don't want to interrupt any more than I have to, if the committee pleases. If you refer to the next page, you will find he then said, "I don't remember if I was or not, sir," which was an answer.

Mr. KLEIN. Having refreshed your memory and thought it over since then, if you can, do you remember whether you were in with him or not?

Mr. STROMBERG. I was not.

Mr. KLEIN. You were not?

Mr. STROMBERG. In this business.

Mr. KLEIN. In this business.

Mr. STROMBERG. Yes.

Mr. KLEIN. Are you associated with him now?

Mr. STROMBERG. As a friend.

Mr. KLEIN. As a friend?

Mr. STROMBERG. That is right.

Mr. KLEIN. Have you had any business relations with him of any kind?

Mr. STROMBERG. Not whatsoever.

Mr. KLEIN. At any time.

Mr. STROMBERG. No, sir.

Mr. GRAY. Keep your voice up.

Mr. STROMBERG. No; I haven't.

Mr. KLEIN. Now, Mr. Halley discussed your association with the Dearest Miss Dress Co., and went on to ask you, "Do you have any other business?" and you refused to answer that question. Will you answer that question now?

Mr. STROMBERG. Well, I did have another business.

Mr. KLEIN. What business was that?

Mr. STROMBERG. Bookmaking.

Mr. KLEIN. And when were you in the bookmaking business?

Mr. STROMBERG. About 1943, 1944, something.

Mr. KLEIN. And how long were you in the bookmaking business?

Mr. STROMBERG. 1947.

Mr. KLEIN. Where were you in the bookmaking business?

The CHAIRMAN. I didn't understand. I thought you said 1943-44.

Mr. STROMBERG. I started in 1943.

The CHAIRMAN. And went on through to 1947?

Mr. STROMBERG. 1947.

Mr. KLEIN. Where was that?

Mr. STROMBERG. New Jersey.

Mr. KLEIN. Where?

Mr. STROMBERG. Around Hackensack, around there.

Mr. KLEIN. And you gave it up in 1947?

Mr. STROMBERG. Yes.

Mr. KLEIN. What address did you operate from in Hackensack?

Mr. STROMBERG. Well, it was no address, it was a second-hand automobile place, and I rented the back. As far as the address is concerned, I don't know. It was on the main highway. It was on the highway with no address. I don't remember the address.

Mr. KLEIN. Whom did you rent from?

Mr. STROMBERG. A man by the name of Rude—R-u-d-e.

Mr. KLEIN. Rude Motors Co.?

Mr. STROMBERG. Probably. Maybe that.

Mr. KLEIN. Did you have any associates in that business?

Mr. STROMBERG. No; I didn't. Oh, yes; I did.

Mr. KLEIN. Who were they?

Mr. STROMBERG. Paul Carbo and Nate Gershon.

Mr. KLEIN. Paul Carbo?

Mr. STROMBERG. Yes.

Mr. KLEIN. And Nate?

Mr. STROMBERG. Gershon.

Mr. KLEIN. Gershon?

Mr. STROMBERG. I can't answer the questions with you fellows flashing in my face.

Mr. GRAY. Let them get all the pictures they want first and——

The CHAIRMAN. Let's take the picture now and get that over.

Where did you say this was in New Jersey, Mr. Stromberg?

Mr. STROMBERG. I am waiting until they get through with the flash-lights, Senator.

The CHAIRMAN. All right.

Mr. STROMBERG. Right in the middle of an answer or a question they have been flashing the flash in my eyes.

The CHAIRMAN. Yes, I know. It is very——

Mr. GRAY. I don't mind it because they never put the lawyer's picture in anyhow.

The CHAIRMAN. What is that?

Mr. GRAY. I don't mind because they never put the lawyer's picture in anyhow, for which I am glad.

The CHAIRMAN. They might if you ask them as a special favor.

All right, boys.

Mr. KLEIN. Let's get on. How did you come to go into business with Carbo and Gershon?

Mr. STROMBERG. Gershon and Carbo, if I remember correctly, had some horse business, and they asked me to go with them.

Mr. KLEIN. They approached you?

Mr. STROMBERG. I think so.

Mr. KLEIN. Did you put any money into the business?

Mr. STROMBERG. Yes; we put a little money in it.

Mr. KLEIN. How much did you put in?

Mr. STROMBERG. Must have put in about four or five thousand dollars.

Mr. KLEIN. Each?

Mr. STROMBERG. Well, the whole thing was ten thousand.

Mr. KLEIN. The capital, bank roll, was \$10,000?

Mr. STROMBERG. Yes.

Mr. KLEIN. And how did you operate?

Mr. STROMBERG. People called on the telephone, and they would make a bet. Whatever we wanted we held, and the rest we refused.

Mr. KLEIN. What was the size of your operation? What was the handle?

Mr. STROMBERG. I wouldn't know.

Mr. KLEIN. Now think. Have you no idea?

Mr. STROMBERG. No; I don't

Mr. KLEIN. Were you ever in the place?

Mr. STROMBERG. Yes; I used to go in once in a while.

Mr. KLEIN. How often did you go in?

Mr. STROMBERG. Once a week, once every 2 weeks.

Mr. KLEIN. How many telephones did you have?

Mr. STROMBERG. I think they had two.

Mr. KLEIN. Did you operate it yourself or was it operated by others?

Mr. STROMBERG. I beg your pardon?

Mr. KLEIN. Was it operated by Carbon and Gershon or did they hire men to operate it?

Mr. STROMBERG. It was operated by the three of us.

Mr. KLEIN. You were there, active in the place?

Mr. STROMBERG. No; I wasn't.

Mr. KLEIN. I am talking about the actual physical operation of it, the handling.

Mr. STROMBERG. I said I don't know.

Mr. KLEIN. You don't know?

Mr. STROMBERG. No. The only thing we got was a figure if we lost or we won.

Mr. KLEIN. And how did you make out over the years?

Mr. STROMBERG. We win a few dollars.

Mr. KLEIN. Beg pardon?

Mr. STROMBERG. We win some money.

Mr. KLEIN. You did win some money?

Mr. STROMBERG. Yes.

Mr. KLEIN. Were any records kept of the amount of money that was won?

Mr. STROMBERG. I did have.

Mr. KLEIN. Did have?

Mr. STROMBERG. Yes.

Mr. KLEIN. Did you make income-tax returns for the years 1943-44?

Mr. GRAY. Just a moment. I shall have to advise Mr. Stromberg, although I know that he did make income-tax returns, that that question is one which he may refuse to answer on the grounds that it may incriminate him of a Federal offense.

Mr. KLEIN. I won't press for an answer. He may answer if he wishes.

Mr. STROMBERG. I refuse to answer on the ground it may incriminate me of a Federal offense.

The CHAIRMAN. Let me ask: Is your income tax under investigation, do you think?

Mr. STROMBERG. Beg pardon?

The CHAIRMAN. Is your income tax under investigation, do you think?

Mr. STROMBERG. I think it is.

The CHAIRMAN. Then I will rule you don't have to answer that question.

Mr. KLEIN. Are you under indictment for anything at the moment?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Where does Paul Carbo live, do you know?

Mr. STROMBERG. New York City.

Mr. KLEIN. Is he a relative of Frank Carbo?

Mr. STROMBERG. That is the same.

Mr. KLEIN. Same person?

Mr. STROMBERG. Yes.

Mr. KLEIN. Is that the Frank Carbo who is well known in the fight game?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Where does Gershon live?

Mr. STROMBERG. I don't know. He was around New York, but I haven't seen him in the last 3 or 4 years.

Mr. KLEIN. Do you know Frank Costello?

Mr. STROMBERG. Yes; I do.

Mr. KLEIN. How well do you know Frank Costello?

Mr. STROMBERG. For 10 or 12 years.

Mr. KLEIN. How often do you see him?

Mr. STROMBERG. Very rarely.

Mr. KLEIN. Do you know if Carbo has any association with Costello?

Mr. STROMBERG. Not that I know of.

Mr. KLEIN. Not that you know of?

Mr. STROMBERG. No; I don't think he has.

Mr. KLEIN. Were you ever interested in the fight game?

Mr. STROMBERG. Oh, maybe 25 years ago I was.

Mr. KLEIN. In what way?

Mr. STROMBERG. I was manager of a fighter, just for the sport.

Mr. KLEIN. Who did you manage?

Mr. STROMBERG. A fellow by the name of Willie Siegel.

Mr. KLEIN. Willie?

Mr. STROMBERG. S-i-e-g-e-l.

The CHAIRMAN. How did he come out—Willie Siegel? What sort of a fighter was he?

Mr. STROMBERG. Fair fighter.

The CHAIRMAN. Middleweight?

Mr. STROMBERG. Lightweight.

The CHAIRMAN. Did he ever win any bouts?

Mr. STROMBERG. He won as many as he lost.

The CHAIRMAN. What?

Mr. STROMBERG. He lost a few and won a few.

The CHAIRMAN. How long did you manage him?

Mr. STROMBERG. For about a year.

The CHAIRMAN. Frank Carbo, who did he have? He had a good many fighters.

Mr. STROMBERG. I wouldn't know who he has.

Mr. KLEIN. Carbo has been associated with Mugsy Taylor in Philadelphia, hasn't he?

Mr. STROMBERG. Not to my knowledge, outside of being friends.

The CHAIRMAN. Is he a promoter or a manager?

Mr. STROMBERG. I think he is a manager.

Mr. KLEIN. If it were to be testified that Carbo and Taylor had boxing operations together, it wouldn't surprise you, though, would it?

Mr. STROMBERG. Would it surprise me?

Mr. KLEIN. Yes.

Mr. STROMBERG. Nothing surprises me these days.

Mr. KLEIN. Do you have any other business, or did you have any other businesses besides the ones that you have outlined—Dearest Miss Dress Co. and bookmaking operation at Hackensack?

Mr. STROMBERG. That is all; no, sir.

Mr. KLEIN. Do you have any other businesses now?

Mr. STROMBERG. Did I have any businesses before or now?

Mr. KLEIN. During the period 1943 to 1947.

Mr. STROMBERG. No; I didn't have any at that time.

Mr. KLEIN. Now, then, Mr. Halley went on and asked you if you were in any business which, while not legitimate under the laws of any particular State, does not violate any Federal law, and you declined to answer.

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Do you want to answer that now?

Mr. STROMBERG. I gamble.

Mr. KLEIN. You did gamble?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. On what do you gamble?

Mr. STROMBERG. Horses.

Mr. KLEIN. Exclusively?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Do you own any interest in any casino?

Mr. STROMBERG. No, I don't.

Mr. KLEIN. You do not?

Mr. STROMBERG. No.

Mr. KLEIN. Where do you gamble?

Mr. STROMBERG. At the race tracks.

Mr. KLEIN. Exclusively at the tracks?

Mr. STROMBERG. Well, now exclusively at tracks when I am down there. I used to bet on the phone once in a while.

Mr. KLEIN. As principal or as commission agent?

Mr. STROMBERG. Well, mostly as principal.

Mr. KLEIN. Mostly as principal. You do handle some commissions, though, don't you?

Mr. STROMBERG. No, I don't.

Mr. KLEIN. None at all?

Mr. STROMBERG. No.

Mr. KLEIN. We will come back to that.

Where do you gamble?

Mr. STROMBERG. At the race tracks.

Mr. KLEIN. Which tracks?

Mr. STROMBERG. Hialeah, Tropical, any one that is open that I have a chance to go down.

Mr. KLEIN. So far you have named Florida tracks. How about tracks up North?

Mr. STROMBERG. Belmont, Bowie, Laurel, any one of them.

Mr. KLEIN. Do you care to tell us what your income was in 1950?

Mr. STROMBERG. I refuse to answer that question on the grounds it might incriminate me.

I can't smoke, can I, Senator?

The CHAIRMAN. Yes, you can smoke.

Mr. KLEIN. The next question—there are others that you have answered, and the next question I want to put to you is the chairman's question which was specifically asking you whether you were in any numbers rackets, which you refused to answer.

Mr. STROMBERG. Am I now or was I?

Mr. KLEIN. Are you now?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Were you ever?

Mr. STROMBERG. Yes.

Mr. KLEIN. When and where?

Mr. STROMBERG. About 9 years ago.

Mr. KLEIN. Nine years ago?

Mr. STROMBERG. Or 8 years ago.

Mr. KLEIN. Where?

Mr. STROMBERG. Philadelphia.

Mr. KLEIN. How long had you been in the numbers business in Philadelphia?

Mr. STROMBERG. About 6 or 7 years.

Mr. KLEIN. You got to Philadelphia around 1932 or 1933?

Mr. STROMBERG. Around that time.

Mr. KLEIN. When did you first go into the numbers business in Philadelphia?

Mr. STROMBERG. About 1935.

Mr. KLEIN. About 1935. Did you have any associates?

Mr. STROMBERG. Yes; I did.

Mr. KLEIN. And who were they?

Mr. STROMBERG. One was Theodore Downing and the other one was Thomas Leonard.

Mr. KLEIN. Theodore?

Mr. STROMBERG. Downing.

Mr. KLEIN. And who was Thomas Leonard?

Mr. STROMBERG. He is a fellow who used to be around Philadelphia. He had some business and I went in with him.

Mr. KLEIN. And is he still there?

Mr. STROMBERG. I haven't see him for quite a few years.

Mr. KLEIN. Who is Theodore Downing?

Mr. STROMBERG. He was a fellow lived around Philadelphia. He died about 4 years ago, 3 years ago.

Mr. KLEIN. Was Willie Weisberg in that business, too?

Mr. STROMBERG. Not to my knowledge—with me?

Mr. KLEIN. Yes.

Mr. STROMBERG. No, sir.

Mr. KLEIN. Was he in any kind of business with you?

Mr. STROMBERG. Outside of the clothing place.

Mr. KLEIN. The clothing business in Wilmington?

Mr. STROMBERG. That is right.

Mr. KLEIN. You have already testified to that.

Now, how did you operate in Philadelphia?

Mr. STROMBERG. Well, I wasn't very active. They were active with the business.

Mr. KLEIN. What part did you take in the business?

Mr. STROMBERG. Paying and collecting.

Mr. KLEIN. Paying and collecting?

Mr. STROMBERG. Yes. I mean, if I lost I paid them; if I won, they would see that I got my money.

Mr. KLEIN. You mean you were merely a banker?

Mr. STROMBERG. Yes.

Mr. KLEIN. How did they operate? They were your partners.

Mr. STROMBERG. Well, I don't know much about how they operated, but I know they used to have different people bring the numbers in to them, and if the number would come out, they would pay off.

Mr. KLEIN. Do you mean to say you were in the business from 1935 till 1943, 8 years, and you don't know?

Mr. STROMBERG. I beg your pardon. It may be a year less.

Mr. KLEIN. Suppose we say you were in the business 7 years.

Mr. STROMBERG. No. Was I in the business 7 years?

Mr. KLEIN. I think so. Isn't that what you say?

Mr. STROMBERG. About 6 or 7 years.

Mr. KLEIN. And you don't know how they operated?

Mr. STROMBERG. I just told you they used to have those writers bring the business in, and the writers would get 25 cents on the dollar for bringing in business. Then if the number was hit, they would pay off.

Mr. KLEIN. How many writers did they have?

Mr. STROMBERG. Oh, I don't know.

Mr. KLEIN. You don't know?

Mr. STROMBERG. No, I wouldn't know.

Mr. KLEIN. Was it a profitable business?

Mr. STROMBERG. Well, yes.

Mr. KLEIN. It was?

Mr. STROMBERG. Sometimes it was and sometimes it wasn't.

Mr. KLEIN. Did they require any protection to operate?

Mr. STROMBERG. I don't think they did.

Mr. KLEIN. You don't think they did?

Mr. STROMBERG. No. They moved from one place to another.

Mr. KLEIN. How do you mean?

Mr. STROMBERG. Well, they used to be in one place 2 days, and another place a couple of days.

Mr. KLEIN. You don't mean that, do you?

Mr. STROMBERG. Yes, I do.

Mr. KLEIN. You mean to say that the numbers bank for 7 years moved every 2 days?

Mr. STROMBERG. When I say "every 2 days," they might have stayed a week in one place.

Mr. KLEIN. Now they are there for a week?

Mr. STROMBERG. Sometimes 2 days, sometimes a week, sometimes 3 days. They might have paid somebody. If they did, I don't know. They just had expense.

Mr. KLEIN. You don't know who they paid?

Mr. STROMBERG. No, I don't.

Mr. KLEIN. You were asked by Mr. Halley whether you had ever had any business relations with Meyer Lansky, and you refused to answer that. Do you want to change that?

Mr. STROMBERG. I had no business relations.

Mr. KLEIN. You never had?

Mr. STROMBERG. No.

Mr. KLEIN. Why did you refuse to answer that question?

Mr. STROMBERG. There was too many questions that I had to answer, and I didn't know how to answer them.

Mr. KLEIN. You had very able counsel with you.

Mr. STROMBERG. I know I had.

Mr. KLEIN. He was sitting right at your elbow. You could have asked him. Why did you refuse to answer that question on the grounds it would tend to incriminate you?

Mr. STROMBERG. No reason at all. I just didn't want to answer.

Mr. KLEIN. Didn't want to answer. Out of your own words, don't you think that is contemptuous?

Mr. STROMBERG. No, it is not. I had no business whatsoever with him.

Mr. KLEIN. You are answering it now. Why didn't you answer it?

Mr. STROMBERG. I did give you an answer. I told you there were too many questions given to me, and I couldn't answer them all one after the other.

Mr. KLEIN. You never had any connection with Meyer?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Do you know him?

Mr. STROMBERG. Very well.

Mr. KLEIN. Do you have association with him now?

Mr. STROMBERG. Yes, I see him once in a while.

Mr. KLEIN. Another question that you didn't want to answer was Mr. Halley's question whether you had ever had any business with Frank Erickson—whom you said you knew.

Mr. STROMBERG. Yes. I did have business with him.

Mr. KLEIN. What business was that?

Mr. STROMBERG. Horse business.

Mr. KLEIN. Horse business. Did you bet with Erickson?

Mr. STROMBERG. No; I laid off to him when I had the office.

Mr. KLEIN. You laid off to him during 1943 to 1947?

Mr. STROMBERG. Yes.

Mr. KLEIN. How much did you lay off average per week?

Mr. STROMBERG. I wouldn't know. I might have laid off one bet today, maybe not another for 2 weeks—wouldn't have laid off another bet. If I had too much on a horse I would call up and he would take it and take it off my hands.

Mr. KLEIN. Don't you have any recollection of the amount of money you usually bet?

Mr. STROMBERG. No, I haven't.

Mr. KLEIN. And you kept no record?

Mr. STROMBERG. I had records. I haven't got them now.

Mr. KLEIN. Where are those records now?

Mr. STROMBERG. I tell you my wife moved and she sold the furniture, and the records went with them. I don't know where they are at.

Mr. KLEIN. That is not so long ago, is it?

Mr. STROMBERG. No; it is only about last June or last May.

Mr. KLEIN. You didn't take them with you? You didn't ask her for them?

Mr. STROMBERG. Beg your pardon?

Mr. KLEIN. You didn't get them from her?

Mr. STROMBERG. No, I didn't.

Mr. KLEIN. Now some of the other questions you were asked: "Have you ever placed a bet on a horse?" and you have answered. "Have you ever booked any bets on a horse?" you have answered.

Mr. Halley asked you whether you had ever been in any other business with Willie Weisberg except the Martin Clothing Credit Co.

Mr. STROMBERG. What is that question again, please?

Mr. KLEIN. Have you ever been in any business with Willie Weisberg?

Mr. GRAY. Outside of the clothing company.

Mr. STROMBERG. None.

Mr. KLEIN. Never had any other business dealings with Willie Weisberg of any kind?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Of any kind.

Mr. STROMBERG. No, sir.

Mr. KLEIN. You are very friendly, though?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Would you be surprised to know that Weisberg is looked on by the Philadelphia police as your lieutenant in Philadelphia?

Mr. STROMBERG. I can't be blamed for what the newspapers or the police write. He is not my lieutenant, and I have no lieutenants.

Mr. KLEIN. You have no lieutenants now?

Mr. STROMBERG. No, sir.

Mr. KLEIN. You are not in any gambling business at the moment?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Now you were asked whether you had any business in Florida. Did you ever have any business in Florida?

Mr. STROMBERG. Race track booking.

Mr. KLEIN. Race track?

Mr. STROMBERG. Nothing else; that is all.

Mr. KLEIN. Mr. Halley asked you whether you ever had any legitimate business in Florida and you refused to answer.

Mr. STROMBERG. I have not.

Mr. KLEIN. You have not. Were you ever interested in the Sands Hotel?

Mr. STROMBERG. Never.

Mr. KLEIN. Do you spend a great deal of time there?

Mr. STROMBERG. Not a great deal of time. I used to go in there bathing.

Mr. KLEIN. What?

Mr. STROMBERG. I used to go in there bathing, to the pool.

Mr. KLEIN. To the pool; bathe?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Do a good many of your friends go there?

Mr. STROMBERG. Beg pardon?

Mr. KLEIN. Do a good many of your friends go there?

Mr. STROMBERG. What do you mean by "a good many of your friends"?

Mr. KLEIN. Well, let's see. Mr. Weisberg goes there.

Mr. STROMBERG. He lives there.

Mr. KLEIN. He lives there?

Mr. STROMBERG. Yes.

Mr. KLEIN. What part of the hotel did he live in?

Mr. STROMBERG. What part?

Mr. KLEIN. Yes.

Mr. STROMBERG. I only know one part.

Mr. KLEIN. What part?

Mr. STROMBERG. The Sands Hotel.

Mr. KLEIN. I know, but what part of the hotel—the penthouse?

Mr. STROMBERG. I don't know if there is any penthouse there.

Mr. KLEIN. Did you ever go to see him in his rooms at the hotel?

Mr. STROMBERG. Yes. He had one room.

Mr. KLEIN. Which one was that?

Mr. STROMBERG. I wouldn't know.

Mr. KLEIN. Would it be 601?

Mr. STROMBERG. It might have.

Mr. KLEIN. It might have been?

Mr. STROMBERG. Might have.

Mr. KLEIN. Mr. Street and Mr. Glass, who have an ownership interest in the hotel, are old friends of yours, too, aren't they?

Mr. STROMBERG. Yes; I have known them for a long time.

Mr. KLEIN. How about Sam Hoffman, "Cappy"—does he go there?

Mr. STROMBERG. I think he lives there.

Mr. KLEIN. You have seen him there?

Mr. STROMBERG. Yes; I did.

Mr. KLEIN. Did you know Mr. Polizzi who was here this morning?

Mr. STROMBERG. Yes.

Mr. KLEIN. Have you ever met him there?

Mr. STROMBERG. Yes, I did.

Mr. KLEIN. Is he a friend of yours?

Mr. STROMBERG. I wouldn't call him a friend of mine.

Mr. KLEIN. You know him?

Mr. STROMBERG. If I see him I say, "Hello."

Mr. KLEIN. How about Mike and Frank Matay. Do you know them?

Mr. STROMBERG. Who?

Mr. KLEIN. Mike and Frank Matay. They are Philadelphia boys.

Mr. STROMBERG. Matteo?

Mr. KLEIN. Yes.

Mr. STROMBERG. I know them.

Mr. KLEIN. They go to the Sands, don't they?

Mr. STROMBERG. Never seen them in the Sands.

Mr. KLEIN. Never saw them at the Sands?

Mr. STROMBERG. No, sir. I don't think, I don't believe I have.

Mr. KLEIN. How about Joe Brescia, or Billy Devine? Do you know either one of those?

Mr. STROMBERG. I knew him.

Mr. KLEIN. Is he still alive?

Mr. STROMBERG. He has been dead——

Mr. KLEIN. Passed away. He went to the Sands, too?

Mr. STROMBERG. I think I saw him a few times there.

Mr. KLEIN. How about Harry Siegel?

Mr. STROMBERG. I have seen him around.

Mr. KLEIN. Siegel wasn't related to that fighter you had, was he?

Mr. STROMBERG. No.

Mr. KLEIN. Raymond Boyne, did he ever go to the Sands?

Mr. STROMBERG. I haven't seen him in about 10 years. I probably saw him once in the last 10 years.

Mr. KLEIN. Did you have any business association with Raymond Boyne?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Ever?

Mr. STROMBERG. No, sir. Probably in the bootlegging days I might have did some business. Outside of that, we haven't.

Mr. KLEIN. Was Raymond Boyne a bootlegger?

Mr. STROMBERG. He sold a bottle of whisky.

Mr. KLEIN. You were in the bootlegging business yourself?

Mr. STROMBERG. I admitted to that.

Mr. KLEIN. Yes. How about Willie Moretti?

Mr. STROMBERG. I know him.

Mr. KLEIN. Do you know him?

Mr. STROMBERG. Yes.

Mr. KLEIN. Ever see him at the Sands?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Never saw him there?

Mr. STROMBERG. No.

Mr. KLEIN. How about Marco Reginelli?

Mr. STROMBERG. I know him.

Mr. KLEIN. Did you ever see him at the Sands?

Mr. STROMBERG. No, sir.

Mr. KLEIN. I call your attention to the Sunday in February 1949, the Sunday after the day when the racing wire went down in Miami; there was no more race wire news coming over the line. Do you remember a meeting in the Sands Hotel?

Mr. STROMBERG. About the wires?

Mr. KLEIN. I don't know what it was about.

Mr. STROMBERG. No, I don't.

Mr. KLEIN. You had no meeting in the hotel?

Mr. STROMBERG. Not that I can remember.

Mr. KLEIN. Do you remember a meeting between yourself, Willie Weisberg, Cappy Hoffman, Max Siegel, and Marco Reginelli?

Mr. STROMBERG. I don't remember that. It might have been, but I don't remember.

Mr. KLEIN. It might have been?

Mr. STROMBERG. I don't remember.

Mr. KLEIN. You don't have any recollection of it?

Mr. STROMBERG. No, I don't; I am sorry.

Mr. KLEIN. But it might have been?

Mr. STROMBERG. It might, might not.

Mr. KLEIN. Now the following questions you have answered: Did you ever have any business in Florida? Did you have any legitimate business there? When you came to Philadelphia did you go into any business? You testified that you did go into business.

Did you have any legitimate business in Philadelphia?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Mr. Halley asked you whether you had any information regarding the numbers racket in Philadelphia and you refused to answer that, but you have since answered that you were in it yourself?

Mr. STROMBERG. That is right.

Mr. KLEIN. I want to get these questions out of the way and then we will come back.

Mr. Halley said, "I think you said you had no legitimate business in Philadelphia?" And you said, "I refuse to answer that." And "Have you had any legitimate business any time?" And you refused to answer that but you have since answered.

Mr. STROMBERG. That is right.

Mr. KLEIN. Did you ever have any business in Philadelphia that involved violations of any laws, State or Federal?" And you refused to answer.

Mr. STROMBERG. That is right.

Mr. KLEIN. And you since have answered.

Mr. STROMBERG. That is right.

Mr. KLEIN. And he asked whether you had any business with Willie Weisberg, and you refused to answer that question, but answered it today, and said you had none and never had any?

Mr. STROMBERG. That is right.

Mr. KLEIN. Why did you—

Mr. STROMBERG. I wasn't sure.

Mr. KLEIN. Let me finish the question.

Mr. STROMBERG. All right.

Mr. KLEIN. Why did you refuse to answer that question when today you so disarmingly said, "I have no relationship and never had"?

Mr. STROMBERG. I had the advice of counsel to refuse.

Mr. KLEIN. Didn't you have the advice of the same counsel then?

Mr. STROMBERG. Yes, I did.

Mr. KLEIN. Why did you answer the question in that way?

Mr. GRAY. Might I call the committee's attention to the fact that the record shows that about these questions you are now referring to, there was no consultation at that time.

Mr. KLEIN. I don't think you have to consult on every question, Mr. Gray, if the man took it on himself to answer the question.

Mr. GRAY. That is correct.

The CHAIRMAN. All right, he has had more advice of counsel now.

Mr. GRAY. I'm calling attention to the fact he did not consult. It is his fault probably, or it may be mine for not interrupting, but the fact remains.

Mr. KLEIN. Mr. Halley asked you if you had any business with Samuel Lit. and you refused to answer. Do you want to answer that question now?

Mr. STROMBERG. I really don't remember if I had any or not. He might have called me for a bet when I had the office, but I am not sure.

Mr. KLEIN. Who is Sammy Lit?

Mr. STROMBERG. He books a few horses.

Mr. KLEIN. In Philadelphia?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Where does he make his headquarters?

Mr. STROMBERG. In Philadelphia.

Mr. KLEIN. Where?

Mr. STROMBERG. I wouldn't know.

Mr. KLEIN. Would it refresh your memory if I said 1011 Chestnut Street?

Mr. STROMBERG. I wouldn't know. I only know he used to call from the house.

Mr. KLEIN. Have you ever seen him?

Mr. STROMBERG. Yes.

Mr. KLEIN. Do you know him?

Mr. STROMBERG. Yes, I do.

Mr. KLEIN. He used to call from his house?

Mr. STROMBERG. I think so.

Mr. KLEIN. Where did he book these bets—up in north Jersey?

Mr. STROMBERG. Where he booked?

Mr. KLEIN. Yes; in Hackensack?

Mr. STROMBERG. No.

Mr. KLEIN. This was in Philadelphia?

Mr. STROMBERG. Yes.

Mr. KLEIN. Where did you live when you were in Philadelphia?

Mr. STROMBERG. Where did I live? Forty-eighth and Spruce, I think, or Pine. I am not sure.

Mr. KLEIN. Did you live in the Wingate Hall Apartments?

Mr. STROMBERG. Wingate, no; I don't think I ever lived in the Wingate.

Mr. KLEIN. Did you live in the same apartment house as Mr. Weisberg?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Did you have a listed or unlisted phone?

Mr. STROMBERG. I think it was listed. I am not sure.

Mr. KLEIN. It could have been unlisted?

Mr. STROMBERG. Probably. I am not sure. About 10 years ago.

Mr. KLEIN. Then there were other questions, "Have you had telephone calls from Sammy Lit?" And "Did you have any legitimate business with Sammy Lit?"

Have you any legitimate business with Sammy Lit?

Mr. STROMBERG. No, sir.

Mr. KLEIN. You are not interested in his insurance company?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Have you had any legitimate business with Frank Palermo?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Ever have any?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Ever have any illegitimate business with Frank Palermo?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Ever associated with Frank Palermo in the numbers business?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Mr. Halley asked you whether you were in any legitimate business before you went in the dress business.

Mr. GRAY. That is New York?

Mr. KLEIN. I presume so; yes.

Mr. STROMBERG. Well, I said I was in Wilmington. That was the only one.

Mr. KLEIN. You have answered that. Those were the questions that were put to you by Mr. Halley that you refused to answer.

Now I want to ask you some additional questions that have been developed since that hearing.

You testified here today that you were in business but you didn't pay off anybody, you didn't have any protection that you knew of. Yet, at the hearings in October, you testified that you were friendly with the present assistant superintendent of police, Mr. Richardson, George Richardson.

Mr. STROMBERG. I was.

Mr. KLEIN. When did you first become friendly with Mr. Richardson?

Mr. STROMBERG. That is quite a number of years ago. I wouldn't remember—maybe 15 years ago, 16 years ago.

Mr. KLEIN. How did you meet him?

Mr. STROMBERG. I was introduced to him; that is all.

Mr. KLEIN. By whom?

Mr. STROMBERG. I don't remember.

Mr. KLEIN. At that time, 1935, you were operating in the numbers business?

Mr. STROMBERG. I presume I was.

Mr. KLEIN. Mr. Richardson's duty as a member of the police force is to put down the numbers business. Why would someone introduce you to Mr. Richardson who, theoretically would be looking for you?

Mr. STROMBERG. I don't get that. Would you please repeat it? I am sorry to ask you to repeat. I am a little hard of hearing.

The CHAIRMAN. Let the reporter read it.

Mr. KLEIN. I will rephrase it.

The CHAIRMAN. All right.

Mr. KLEIN. In 1935, 1936, approximately 15 years ago, you say you met Mr. Richardson?

Mr. STROMBERG. Yes.

Mr. KLEIN. You were in the numbers business?

Mr. STROMBERG. That is right.

Mr. KLEIN. Will you agree with me the numbers business was then and still is illegal?

Mr. STROMBERG. Pardon me a second, please?

Mr. KLEIN. Yes.

(Witness confers with his attorney.)

Mr. GRAY. Go ahead and answer the question. Try and answer Mr. Klein's question.

I don't know whether it is proper for me to state this, but I think it is, that I called his attention to the fact Richardson arrested him, and had 16 bills of indictment against him.

Mr. KLEIN. I know that.

The CHAIRMAN. All right, Mr. Klein.

Mr. KLEIN. Why would someone introduce you to Richardson?

Mr. STROMBERG. I don't know; just like meeting anybody else. Probably met him in a restaurant or a bar or somewhere.

Mr. KLEIN. You have testified that you have known Richardson since 1932 or 1933. Maybe before that.

Mr. STROMBERG. Yes.

Mr. KLEIN. At the time you came to Philadelphia. You testified that you had never been to Richardson's home, but you have been in a restaurant with Richardson in New York?

Mr. STROMBERG. That is right.

Mr. KLEIN. And you also testified that you were there once or twice?

Mr. STROMBERG. That is right.

Mr. KLEIN. Now, I ask you to refresh your memory and tell me whether or not you have not been in other places with Superintendent Richardson?

Mr. STROMBERG. Probably in a bar in Philadelphia, but I wouldn't remember.

Mr. KLEIN. Isn't it a fact, Mr. Stromberg, that you entertained Mr. Richardson at a theater in New York?

Mr. STROMBERG. Yes; it is.

Mr. KLEIN. How many times have you taken him to the theater?

Mr. STROMBERG. Several occasions.

Mr. KLEIN. Several occasions. From what period to what period?

Mr. STROMBERG. Oh, maybe 1939, 1940, or 1938 to 1941, I don't know.

Mr. KLEIN. Isn't it a fact that you have taken Superintendent Richardson to night clubs?

Mr. STROMBERG. Yes.

Mr. KLEIN. How many times?

Mr. STROMBERG. Several times.

Mr. KLEIN. Give us an idea of the number.

Mr. STROMBERG. About three times, four times.

Mr. KLEIN. Maybe more?

Mr. STROMBERG. Not many more. If it was, maybe once more.

Mr. KLEIN. Isn't it a fact that you have taken Richardson to prize fights?

Mr. STROMBERG. Well, probably.

Mr. KLEIN. How many times, Mr. Stromberg?

Mr. STROMBERG. Several times.

Mr. KLEIN. Give us——

Mr. STROMBERG. Three, four times, five times.

Mr. KLEIN. Over what period?

Mr. STROMBERG. The same period.

Mr. KLEIN. As a matter of fact, you have done a lot of entertaining for Superintendent Richardson, haven't you?

Mr. STROMBERG. I wouldn't say that. I was in New York and happened to meet him, and I took him to dinner.

Mr. KLEIN. You mean these were just chance meetings, when you took him to the theater?

Mr. STROMBERG. Most of them.

Mr. KLEIN. And chance meetings when you took him to the prize fights?

Mr. STROMBERG. No; not at all the times.

Mr. KLEIN. Chance meetings when you took him to night clubs?

Mr. STROMBERG. Not all the time.

Mr. KLEIN. Weren't they all prearranged meetings?

Mr. STROMBERG. No; they weren't all prearranged.

Mr. KLEIN. How many were?

Mr. STROMBERG. Probably maybe two or three.

Mr. KLEIN. Tell me why you, as a numbers backer in Philadelphia, would be associating with and entertaining the superintendent or assistant superintendent of police of Philadelphia?

Mr. STROMBERG. He wasn't assistant superintendent of police at that time.

Mr. KLEIN. He was an inspector?

Mr. STROMBERG. I don't know if he was a detective or inspector. I am not sure. He might have been. I don't think he was an inspector at that time.

Mr. KLEIN. Wasn't he?

Mr. STROMBERG. I am not sure.

Mr. KLEIN. Regardless of his rank, why would you be wining and dining and entertaining on somewhat of an elaborate scale, a police official of Philadelphia?

Mr. STROMBERG. Well, we got to be friendly. I used to meet him in Philadelphia and have a few drinks, and I invited him over to New York.

Mr. KLEIN. Now, did you ever make him any gifts?

Mr. STROMBERG. Yes; I did.

Mr. KLEIN. What did you give him?

Mr. STROMBERG. Well, I got him some ties, and shirts I had made for him.

Mr. KLEIN. Had shirts made for him?

Mr. STROMBERG. Yes.

Mr. KLEIN. How many ties?

Mr. STROMBERG. Probably a dozen, maybe 2 dozen, I don't know.

Mr. KLEIN. You don't remember?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Over what period?

Mr. STROMBERG. A period of maybe 3 years, 4 years.

Mr. KLEIN. How about the shirts?

Mr. STROMBERG. About the same time.

Mr. KLEIN. Where did you have those made?

Mr. STROMBERG. In Sulka's, in New York.

Mr. KLEIN. Do you remember what you paid for them?

Mr. STROMBERG. No, sir; I don't.

Mr. KLEIN. You will agree with me, won't you, it is common knowledge, Sulka's is one of the most expensive shirtmakers in New York?

Mr. STROMBERG. I wouldn't say that.

Mr. GRAY. I would agree with you.

Mr. STROMBERG. Saks is about the same, and Budd's.

Mr. KLEIN. Pretty high-priced, weren't they?

Mr. STROMBERG. Yes; they are pretty high-priced.

Mr. KLEIN. How many shirts did you give Mr. Richardson?

Mr. STROMBERG. I think a dozen.

Mr. KLEIN. A dozen. Could it have been more?

Mr. STROMBERG. I don't think so.

Senator TOBEY. What did he do in return for the shirts?

Mr. STROMBERG. Beg pardon?

Senator TOBEY. What did he do for you in return for the shirts?

Mr. STROMBERG. What did he do for me?

Senator TOBEY. Yes.

Mr. STROMBERG. Nothing.

Senator TOBEY. Then why give him them?

Mr. STROMBERG. Just as a friend.

Senator TOBEY. Just as a friendly gesture you gave him a dozen silk shirts?

Mr. STROMBERG. Not silk shirts.

Senator TOBEY. A dozen Sulka shirts?

Mr. STROMBERG. That is right.

Senator TOBEY. What was his position?

Mr. STROMBERG. What was his position?

Senator TOBEY. Yes.

Mr. STROMBERG. I thought he was a detective at that time.

Senator TOBEY. Detective?

Mr. STROMBERG. That is right.

Senator TOBEY. Did you think you might curry a little favor by giving a dozen shirts to him, so he would favor some of these clubs you were connected with?

Mr. STROMBERG. No, he never did anything for me.

The CHAIRMAN. All right, go ahead, Mr. Klein.

Mr. KLEIN. Did you ever give him anything else?

Mr. STROMBERG. Yes; I think I bought him a clock for his place.

Mr. GRAY. What?

Mr. STROMBERG. A clock for his home.

Mr. KLEIN. What kind of a clock?

Mr. STROMBERG. Ordinary living room clock.

Mr. KLEIN. You spent \$150 on that, didn't you?

Mr. STROMBERG. That is right.

Mr. KLEIN. So that must have been a little out of the ordinary.

Mr. STROMBERG. Yes, it was.

Mr. KLEIN. Did you ever buy any gifts, give any gifts to any other members of the Philadelphia Police Force?

Mr. STROMBERG. No, sir.

Mr. KLEIN. None at all?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Only to Richardson?

Mr. STROMBERG. That is right.

Mr. KLEIN. Did you ever give Richardson any money?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Are you sure of that?

Mr. STROMBERG. Well, I am pretty near sure.

Mr. KLEIN. Pretty near sure?

Mr. STROMBERG. Yes.

Mr. KLEIN. Is it possible that maybe you gave Richardson some money?

Mr. STROMBERG. I don't think I did.

Mr. KLEIN. You don't think you did. I ask you to refresh your memory. Think.

Mr. STROMBERG. I don't think I give him any money.

Mr. KLEIN. Is it possible that you did?

The CHAIRMAN. Unless he knows, let's go on.

Mr. STROMBERG. It may be, but I wouldn't swear I did, and I wouldn't swear I didn't. It is so many years ago.

Mr. KLEIN. Did you ever hand Superintendent Richardson a packet containing \$500 at Shibe Park?

Mr. STROMBERG. No, sir.

Mr. KLEIN. You used to gamble at Shibe Park, didn't you?

Mr. STROMBERG. Probably made a bet on the ball game.

Mr. KLEIN. Yes.

Mr. STROMBERG. That is right.

Mr. KLEIN. Out at Shibe Park?

Mr. STROMBERG. Yes.

Mr. KLEIN. Did you ever see Richardson out there?

Mr. STROMBERG. Probably saw him a few times, but I never gave him no money.

Mr. KLEIN. You gave him no money at Shibe Park?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Why is it, after all that friendship, and the wining and dining, that Richardson now says—

The CHAIRMAN. Bring out he did arrest him.

Mr. KLEIN. It is in the record.

The CHAIRMAN. Bring it out.

Mr. KLEIN. Superintendent Richardson has caused your arrest, hasn't he?

Mr. STROMBERG. He caused my arrest?

Mr. KLEIN. Yes.

Mr. STROMBERG. When? You mean—what was it? 1938?

Mr. GRAY. Somewheres back there.

Mr. KLEIN. Mr. Gray said he had you arrested.

Mr. STROMBERG. He didn't have me arrested. I was arrested in New York, and he brought me back when I was extradited.

Mr. KLEIN. Mr. Richardson in his testimony said, "We had him arrested and brought back."

Mr. STROMBERG. He did not have me arrested.

Senator TOBEY. Was that after you gave him the 12 shirts and the clock?

Mr. KLEIN. Yes.

Senator TOBEY. Then I think he is an ungrateful wretch. Maybe you ought to have given him a car and some other things, and you might have got some results.

Mr. KLEIN. What I want to know is, Mr. Stromberg, why, after these gifts and this wining and dining, why did Richardson turn on you so he now says if you ever show your face in Philadelphia he will punch it for you?

Mr. STROMBERG. He will punch it for me?

Mr. KLEIN. Yes.

Mr. STROMBERG. I don't know. I never heard him say it.

Mr. KLEIN. You are not friendly now, are you?

Mr. STROMBERG. I am not friendly; I am not enemies with him.

Mr. KLEIN. Hasn't he told you not to show your face in Philadelphia?

Mr. STROMBERG. He never told me anything of the kind.

Mr. KLEIN. He hasn't?

Mr. STROMBERG. Not to me.

Mr. KLEIN. Do you feel free to come and go in Philadelphia?

Mr. STROMBERG. It is not Russia.

Mr. KLEIN. I know that. That is not the question. The question is: Do you feel free to come and go in Philadelphia?

Mr. STROMBERG. Yes; I do.

Mr. KLEIN. When were you there last?

Mr. STROMBERG. Today, yesterday.

Mr. KLEIN. You were in Philadelphia yesterday?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Confering with Mr. Gray, I suppose?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. Confering with Mr. Gray?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. When were you there the time before that?

Mr. STROMBERG. Oh, about a week ago, 10 days ago.

Mr. KLEIN. Do you have any interest in the Sands Hotel?

Mr. STROMBERG. I haven't.

Mr. KLEIN. None at all?

Mr. STROMBERG. No, sir.

The CHAIRMAN. All right. Is there anything else?

Mr. KLEIN. No; I have nothing further.

The CHAIRMAN. Mr. Richardson testified at great length before the committee up in Philadelphia. I am going to ask the staff of the committee to cooperate with the reporter in immediately getting Mr. Rosen's testimony prepared and sent to Mr. Richardson by air mail special delivery; and if he wants to add anything to his testimony that was given in Philadelphia, we will want him to have an immediate chance to do so.

Can you do that this afternoon, Mr. Reporter?

The REPORTER. Yes, sir.

The CHAIRMAN. What shows did you take him to; do you remember?

Mr. STROMBERG. I really don't remember, Senator.

The CHAIRMAN. What night clubs?

Mr. STROMBERG. I think I took him to Billy Rose's Horseshoe.

The CHAIRMAN. And the staff will also instruct Mr. Richardson that if he wants to testify immediately, or tomorrow, we will make arrangements for him to do so. Likewise anybody else's name that might be brought out.

Mr. Rosen, do you know Owney Madden down at Hot Springs?

Mr. STROMBERG. Yes, I do.

The CHAIRMAN. Do you visit Hot Springs quite frequently?

Mr. STROMBERG. Yes, sir, I do.

The CHAIRMAN. Twice a year, once a year?

Mr. STROMBERG. Mostly once a year.

The CHAIRMAN. Usually you see Frank Costello and Owney Madden, and fellows who come to Hot Springs at the same time you do?

Mr. STROMBERG. We don't always all come at the same time, but sometimes we happen to meet there. I go any time of year I feel I can get away for a couple of weeks.

The CHAIRMAN. Well, either at Hot Springs or in Florida you see Joe Adonis, whom you know quite well?

Mr. STROMBERG. Yes, sir.

The CHAIRMAN. Do you have any business with him?

Mr. STROMBERG. No, sir.

The CHAIRMAN. And Tony Accardo?

Mr. STROMBERG. I beg your pardon?

The CHAIRMAN. Tony Accardo, of Chicago?

Mr. STROMBERG. I think I met him once or twice. I have no business with him whatsoever.

The CHAIRMAN. The Fischetti boys?

Mr. STROMBERG. Yes.

The CHAIRMAN. Joe Massei, from Detroit; do you know him?

Mr. STROMBERG. Yes, sir.

The CHAIRMAN. And you knew Lucky Luciano, but not well?

Mr. STROMBERG. What?

The CHAIRMAN. Lucky Luciano?

Mr. STROMBERG. I knew him, but not well.

The CHAIRMAN. And you knew Siegel, from California, did you? Bugsy Siegel?

Mr. STROMBERG. Yes, I do.

Senator TOBEY. Neddie Herbert?

Mr. STROMBERG. I knew him.

The CHAIRMAN. He is from California, too.

How about Jack Dragna? Did you know him.

Mr. STROMBERG. I don't think I ever met him.

The CHAIRMAN. These two companies you have—the Jay Lou and Lou Jay; is that right?

Mr. STROMBERG. That is right, Senator.

The CHAIRMAN. Is that all the same company, the same outfit?

Mr. STROMBERG. Yes, it is.

The CHAIRMAN. You just have one factory?

Mr. STROMBERG. Beg your pardon?

The CHAIRMAN. You just have one factory?

Mr. STROMBERG. No; it is two factories.

The CHAIRMAN. Two factories?

Mr. STROMBERG. Yes; two factories at that address. We bought one and 3 months later bought the other.

The CHAIRMAN. When did you buy those factories?

Mr. STROMBERG. About a year ago.

The CHAIRMAN. A couple of years ago?

Mr. STROMBERG. About a year ago.

The CHAIRMAN. They are in New York?

Mr. STROMBERG. The Bronx; that is right.

The CHAIRMAN. I believe you employ 300 people or something like that.

Mr. STROMBERG. Sixty or seventy.

The CHAIRMAN. What?

Mr. STROMBERG. Sixty or seventy.

The CHAIRMAN. Do you have a factory over at Scranton or is that your brother's?

Mr. STROMBERG. My brother's.

The CHAIRMAN. Do you still have the store with Weisberg over at Wilmington?

Mr. STROMBERG. No; I don't.

The CHAIRMAN. That is closed?

Mr. STROMBERG. I don't know if it is closed. I haven't got anything to do with it.

Senator TOBEY. How do you happen to name a business concern Lou Jay or Jay Lou?

Mr. STROMBERG. My brother's first name.

The CHAIRMAN. Lou.

Senator TOBEY. I see. Excuse me.

The CHAIRMAN. Mr. Stromberg, how did you get the name Nig Rosen? Is that just a nickname?

Mr. STROMBERG. Just a nickname.

The CHAIRMAN. Or was that your name? You were born in Russia?

Mr. STROMBERG. Stromberg.

The CHAIRMAN. I say you were born in Russia?

Mr. STROMBERG. That is right.

The CHAIRMAN. What was your name over there—Stromberg?

Mr. STROMBERG. Stromberg.

The CHAIRMAN. And Rosen is no name at all?

Mr. STROMBERG. That is right.

The CHAIRMAN. Just a nickname.

I think you said you were naturalized in 1917 or something like that.

Mr. STROMBERG. No; I said my father was naturalized.

The CHAIRMAN. And you came in with his naturalization?

Mr. STROMBERG. Yes, sir; then I got my own.

The CHAIRMAN. Do you have any interest in any stables or any race horses?

Mr. STROMBERG. None whatsoever.

The CHAIRMAN. Have you ever had?

Mr. STROMBERG. No, sir.

The CHAIRMAN. In your testimony you were asked, and we never got an answer exactly, about your connection with Jimmy LaFontaine out at the Maryland Athletic Club. You knew him, didn't you?

Mr. STROMBERG. Very well.

The CHAIRMAN. And Mr. Herman Taylor testified you worked some for him. Did you have association with LaFontaine?

Mr. STROMBERG. No business whatsoever.

The CHAIRMAN. Do you know anything about him being kidnaped at one time?

Mr. STROMBERG. I heard something about it.

The CHAIRMAN. You didn't have any information about him being kidnaped?

Mr. STROMBERG. Later on I heard about it.

The CHAIRMAN. But did you do any business with LaFontaine?

Mr. STROMBERG. None whatsoever.

The CHAIRMAN. None at all?

Mr. STROMBERG. No.

The CHAIRMAN. You were in——

Mr. STROMBERG. Pardon me, Senator. I was there and placed some bets there once in a while, but had no business with him.

The CHAIRMAN. You what?

Mr. STROMBERG. Placed bets there. I made a bet on a horse, but no partnership or anything.

The CHAIRMAN. You gambled and did business there as anybody else would, but didn't have any interest or partnership?

Mr. STROMBERG. That is right.

The CHAIRMAN. You knew Neddie Herbert a long time, didn't you?

Mr. STROMBERG. Yes; I did.

The CHAIRMAN. Where did you meet him?

Mr. STROMBERG. We were kids on the East Side together.

The CHAIRMAN. East Side of New York?

Mr. STROMBERG. That is right.

The CHAIRMAN. You got sent with him to the Jewish Protectory?

Mr. STROMBERG. I wasn't sent with him. I met him there.

The CHAIRMAN. You saw him there?

Mr. STROMBERG. Yes.

The CHAIRMAN. He went on to California, didn't he, and got killed with Mickey Cohen?

Mr. STROMBERG. He got killed. I don't know with who.

Senator TOBEY. He was Mickey's bodyguard, wasn't he?

Mr. STROMBERG. I wouldn't know that.

Senator TOBEY. He was, as a matter of fact.

Mr. STROMBERG. You ought to know.

The CHAIRMAN. I mean he was with Mickey when he got killed, wasn't he?

Mr. STROMBERG. That is right.

The CHAIRMAN. Did you see him in California from time to time after that?

Mr. STROMBERG. No, sir.

The CHAIRMAN. I think at this point, so that the testimony will make sense, we should release to the public testimony given in executive session by Mr. Stromberg in Philadelphia. Also Mr. Stromberg's record referred to shall be made a part of the record.

(Mr. Stromberg's previous testimony is included in this volume on p. 71; his record is identified as "Exhibit No. 5," and appears in the appendix on p. 309.)

The CHAIRMAN. Is that all of the questions he was asked and refused to answer?

Mr. KLEIN. Those are the questions. I have one or two more, if I may be permitted.

The CHAIRMAN. We will see if Senator Tobey has any.

Senator TOBEY. Just two or three.

What is your present business?

Mr. STROMBERG. Dress business.

Senator TOBEY. What is it?

Mr. STROMBERG. Dress business.

Senator TOBEY. Under this Lou Jay and Jay Lou?

Mr. STROMBERG. That is right.

Senator TOBEY. What is your present net worth?

The CHAIRMAN. Senator Tobey, he testified his income tax was under investigation, and the counsel advised him not to answer that question. So I think in fairness to the witness, since he is under investigation—

Senator TOBEY. I will be glad to go along on that. I didn't think about income. Net worth is capital.

The CHAIRMAN. Do you object to answering that question?

Mr. GRAY. Answer if you want to.

Mr. STROMBERG. I refuse to answer that question on the ground it might incriminate me.

Senator TOBEY. You lived in Philadelphia a good many years, didn't you?

Mr. STROMBERG. Yes, sir.

Senator TOBEY. And you had a lot of contacts there?

Mr. STROMBERG. A few.

Senator TOBEY. Are you Republican or Democrat?

Mr. STROMBERG. Neither.

Senator TOBEY. What were you?

Mr. STROMBERG. I refuse to answer that.

Senator TOBEY. You voted for the right man always: is that it?

Mr. STROMBERG. Do I vote for the right man?

Senator TOBEY. Is that your idea?

Mr. STROMBERG. I would like to vote for the right man.

Senator TOBEY. In getting things done, you must have had something to do with, you must have worked through political people.

Mr. STROMBERG. I never worked there with political people.

Senator TOBEY. Never at all?

Mr. STROMBERG. No.

Senator TOBEY. Any of your lieutenants?

Mr. STROMBERG. I have no lieutenants.

Senator TOBEY. How did you regard the political ring of Philadelphia—as crooked?

Mr. STROMBERG. I was interested in it.

Senator TOBEY. Were they interested in you?

Mr. STROMBERG. Were they interested in me?

Senator TOBEY. Yes.

Mr. STROMBERG. I don't know.

Senator TOBEY. Did you make any contributions to them?

Mr. STROMBERG. No, sir.

Senator TOBEY. I never saw you before, and probably never will see you again, but I come into this room, and I know you have been a witness before this committee before, which I was not privileged to attend. Then I glance through the record of the questioning at Philadelphia, and I am amazed that your clientele or your roster of friendships is rather a remarkable roster of friendships, and the chairman of the committee has asked about certain specific individuals, and I don't think we have had any witness before us that had a more—how shall I put it—low-down crowd of crooks than you have had associated with you, according to the record. And on the thesis of the man is known by the company he keeps, what do you say about it?

Mr. STROMBERG. No comment.

Senator TOBEY. No comment?

Mr. STROMBERG. No, sir.

Senator TOBEY. Well, I think the facts speak for themselves. When a man has got all this gang of gangsters he plays with and admits friendship with, and goes beyond that to the chief of police and detectives, and buys a dozen silk shirts, and a dozen Sulka shirts at a time, and a clock at \$150, and maybe some things we haven't got down to mentioning, it looks as if some one is seeking something, that is all.

But I confess to you, as I read this list of names, as we are trying to do a job for the people of this country, and see how far the ramifications and constant association and friendship goes, it is rather a sad picture, a very sad picture. What do you say, Mr. Counsel, don't you agree with me?

Mr. GRAY. I would say to you, Senator, if I had all the information that your committee has, maybe I might agree with you. I don't know what information your committee has.

Senator TOBEY. I supposed you represented him at Philadelphia.

Mr. GRAY. What is that?

Senator TOBEY. I suppose you represented him at Philadelphia.

Mr. GRAY. In this hearing?

Senator TOBEY. Yes.

Mr. GRAY. Certainly.

Senator TOBEY. Then you heard the roster of names, didn't you, there?

Mr. GRAY. I read the roster of names, but I must confess ignorance about many of those people, whether they are high class men or low class.

Senator TOBEY. If you had been on the committee——

Mr. GRAY. I haven't been. This is only the second session, and I hope it will be my last, sir.

Senator TOBEY. Thank you very much.

The CHAIRMAN. All right, is there anything else?

Mr. KLEIN. Mr. Stromberg, why did you get out of the numbers business in 1943?

Mr. STROMBERG. Well, I had the proposition of going into the dress business, and I gave it up.

Mr. KLEIN. Was that not just about the time you had a falling out with Richardson?

Mr. STROMBERG. I do not know about a falling out with him. I just went to New York. New York is my home town. I went back to New York.

Mr. KLEIN. So far as you are concerned, Richardson is still your friend?

Mr. STROMBERG. I am not saying that he is my friend.

Mr. KLEIN. Do you know Sam Green?

Mr. STROMBERG. Sam Green; yes, sir.

Mr. KLEIN. Of Chester?

Mr. STROMBERG. Yes, sir.

Mr. KLEIN. How well do you know him?

Mr. STROMBERG. I know him for about 15 or 20 years.

Mr. KLEIN. Are you related to him?

Mr. STROMBERG. None whatever.

Mr. KLEIN. Does he go under the name of Joe Dalitz?

Mr. STROMBERG. No, sir.

Mr. KLEIN. Who is Joe Dalitz?

Mr. STROMBERG. Some fellow around Chester.

Mr. KLEIN. Two different people?

Mr. GRAY. I can say to the committee that they are two different people. I have represented Dalitz and I know Green, and I know they are not the same men.

Mr. RICE. Aren't they the ones that own the Sun Hotel in Chester?

Mr. GRAY. Dalitz had a scrap iron place. And the time I represented him, which has been a number of years—I am holding my hand up because I cannot stand the glare of the lights—I represented him, because there were some radios taken into Dalitz' place at night and he was charged with receiving stolen goods. I knew Dalitz and I know who Green is, because I have seen him in Philadelphia at the grand jury investigation. I know they are not the same men.

Mr. RICE. Is not Green the man who ran the gambling?

Mr. GRAY. I do not have the slightest idea, but I will say that the record of examination of Mr. Stromberg at Philadelphia, in that he was asked about Green and about the hotel, and something at Chester, and asked about gambling, and he answered all of those questions.

Mr. RICE. I might ask him again to straighten us out. Did you have a telephone call from Green?

Mr. STROMBERG. I might have.

Mr. RICE. What was that in connection with?

Mr. STROMBERG. None whatever. Just a friendly conversation.

Mr. RICE. What does Green do at the Sun Hotel?

Mr. STROMBERG. He owns the hotel.

Mr. RICE. He owns the hotel?

Mr. STROMBERG. Yes; that is right.

Mr. RICE. Is that his only business?

Mr. STROMBERG. I think so.

Mr. RICE. In the hotel business?

Mr. STROMBERG. Yes.

Mr. RICE. Sure he does not have a horse book at the Sun?

Mr. STROMBERG. Not that I know of.

Mr. RICE. You telephoned to him?

Mr. STROMBERG. I don't know.

Mr. GRAY. He said that you telephoned to him.

Mr. STROMBERG. Not for horses.

Mr. RICE. You telephoned for horses?

Mr. STROMBERG. I said I telephoned him. I did, but not pertaining to any horses.

Mr. RICE. What were your telephone calls about?

Mr. STROMBERG. I probably was coming down on the train. I asked him if he can pick me up, or something, or probably called him and said, "Hello."

Mr. RICE. Would he pick you up?

Mr. STROMBERG. Not all of the time. If he was not busy he would meet me at the station.

Mr. RICE. Let me ask you about this operation with Carbo. You say his name was Frank Carbo?

Mr. STROMBERG. His name is Frankie Carbo.

Mr. RICE. They called him Frankie?

Mr. STROMBERG. Yes; that is right.

Mr. RICE. Is he tied up with the boxing game in Madison Square Garden?

Mr. STROMBERG. That is what they say.

Mr. RICE. That is what they say?

Mr. STROMBERG. Yes.

Mr. RICE. You were with the Carbo men in what year?

Mr. STROMBERG. 1946 and 1947.

Mr. RICE. 1943 to 1947?

Mr. STROMBERG. From 1943 to 1947, I think I said that.

Mr. RICE. That was the horse book?

Mr. STROMBERG. That is right.

Mr. RICE. What was your job in that horse book?

Mr. STROMBERG. No job at all. I used to come there once in a while. They used to take the bets.

Mr. RICE. You took the bets?

Mr. STROMBERG. They did.

Mr. RICE. What was your piece of it, what was your percentage?

Mr. STROMBERG. One-third. I think I had 40 percent.

Mr. RICE. What did Carbo have?

Mr. STROMBERG. He had 30 percent.

Mr. RICE. Who was the other fellow?

Mr. STROMBERG. Nate Gershon.

Mr. RICE. Gershon?

Mr. STROMBERG. That is right.

Mr. RICE. He had how much?

Mr. STROMBERG. Thirty percent.

Mr. RICE. He had the remainder, and who actually ran the book for you?

Mr. STROMBERG. Nate Gershon was the one that actually ran it.

Mr. RICE. You three split the take?

Mr. STROMBERG. Yes, sir.

Mr. RICE. Was that a profitable venture?

Mr. STROMBERG. Sometimes.

Mr. RICE. Sometimes?

Mr. STROMBERG. Yes.

Mr. RICE. Over the period it ran, it made money every year, because you ran it, running from 1943 to 1947, is that correct?

Mr. STROMBERG. That is right.

Mr. RICE. And what caused you to discontinue that operation?

Mr. STROMBERG. Well, a lot of people were not paying off, and I had a lot of money outstanding, and I just quit.

Mr. RICE. A lot of people did not pay off?

Mr. STROMBERG. Yes.

Mr. GRAY. They just quit. A lot of money outstanding, he said.

Mr. RICE. 1947 was a good year all around. What caused that?

Mr. STROMBERG. It might not have been good with everybody.

Mr. RICE. We had a witness who testified last week that he was a lay-off man by the name of Rosenbaum, Louis Rosenbaum. He said 1947 was his best year.

Mr. STROMBERG. Might have been one man's best year and somebody else's was not such a good year.

Mr. RICE. Maybe he was taking it from you?

Mr. STROMBERG. How?

Mr. RICE. Maybe he was taking it from you.

Mr. STROMBERG. He was not taking it from me.

Mr. RICE. You ran there in the back of an automobile agency, you say?

Mr. STROMBERG. That is right.

Mr. RICE. How did you handle your protection there?

Mr. STROMBERG. Well, there was no protection there. I used to pay the rent, and he probably took care of somebody there.

Mr. RICE. Gershon?

Mr. STROMBERG. No; the owner of the place.

Mr. RICE. The owner took care of it?

Mr. STROMBERG. He gave me an offer that if I worked there, that he had lived there quite a few years, and I would not be bothered.

Mr. RICE. Was it an open room?

Mr. STROMBERG. No; it was closed.

- Mr. RICE. The customers come in there or just telephoning?
- Mr. STROMBERG. Telephone.
- Mr. RICE. Take lay-off?
- Mr. STROMBERG. Bets, straight bets.
- Mr. RICE. Straight bets?
- Mr. STROMBERG. Yes.
- Mr. RICE. Any lay-off?
- Mr. STROMBERG. Once in a while I get a lay-off.
- Mr. RICE. Where would you lay off?
- Mr. STROMBERG. To Frank Erickson.
- Mr. RICE. To Erickson?
- Mr. STROMBERG. Yes.
- Mr. RICE. Where was he then?
- Mr. STROMBERG. He was around Jersey somewhere.
- Mr. RICE. Over at Cliffside?
- Mr. STROMBERG. Probably there.
- Mr. RICE. Sure he was not in New York?
- Mr. STROMBERG. No; I don't think he was in New York; no.
- Mr. RICE. Did you take any lay-off?
- Mr. STROMBERG. Beg pardon?
- Mr. RICE. Take any Florida lay-offs?
- Mr. STROMBERG. No Florida; no, I never did.
- Mr. RICE. Benny Kay, how about him?
- Mr. STROMBERG. Did I what?
- Mr. RICE. Take any from Benny Kay?
- Mr. STROMBERG. No.
- Mr. RICE. Who is Benny Kay?
- Mr. STROMBERG. He is known to be a bookmaker.
- Mr. RICE. Known to be a bookmaker?
- Mr. STROMBERG. Yes.
- Mr. RICE. Do you know him to be that?
- Mr. STROMBERG. Yes, I know him.
- Mr. RICE. I see that you have had some fairly recent telephone calls to Benny Kay. What were those in connection with?
- Mr. STROMBERG. I had what?
- Mr. RICE. Telephone calls to Benny Kay.
- Mr. STROMBERG. I had not.
- Mr. RICE. Never called him in Cliffside?
- Mr. STROMBERG. I don't say I never called him. I had no calls recently.
- Mr. RICE. When was the last time you talked to him?
- Mr. STROMBERG. Maybe about 4 years ago.
- Mr. RICE. About 4 years ago?
- Mr. STROMBERG. Yes.
- Mr. RICE. Not since then?
- Mr. STROMBERG. Maybe I might have called him once or twice.
- Mr. RICE. What would that be in connection with?
- Mr. STROMBERG. I beg your pardon?
- Mr. RICE. What would that be in connection with?
- Mr. STROMBERG. Well, I think I called him a few times to get me a reservation for friends of mine in Florida, or something like that.
- Mr. RICE. To make reservations?
- Mr. STROMBERG. Yes.

Mr. RICE. Where did he make them?

Mr. STROMBERG. I don't know where he made them. Some friends used to call me up when they could not get a room, and I would call him up. I think he made them at the hotel where he lived.

Mr. RICE. Where was that, the Sands?

Mr. STROMBERG. No.

Mr. RICE. Where?

Mr. STROMBERG. I really don't remember now. I think it was on Twenty-fourth Street, Collins Avenue.

Mr. RICE. How about Kenny Schwartz?

Mr. STROMBERG. Yes.

Mr. RICE. How well?

Mr. STROMBERG. I know him from around the race track.

Mr. RICE. Where is he?

Mr. STROMBERG. I don't know.

Mr. RICE. Is he not a Washington man?

Mr. STROMBERG. Supposed to be.

Mr. RICE. What business is he in?

Mr. STROMBERG. A bettor.

Mr. RICE. A bettor?

Mr. STROMBERG. Yes.

Mr. RICE. Where does he operate, here in Washington?

Mr. STROMBERG. The only thing I know about him operating is on a race track.

Mr. RICE. Operates—what is he, a come-back man?

Mr. STROMBERG. He just bets, strictly a bettor.

Mr. RICE. What business do you have with Kenny Schwartz?

Mr. STROMBERG. None whatsoever. You hear of a tip, or I hear of a tip, and he gives it to me.

Mr. RICE. Just pays on tips?

Mr. STROMBERG. Yes.

Mr. RICE. You talked about La Fontaine and you said you heard that he had been kidnaped. What did you hear about that?

Mr. STROMBERG. That I heard he was kidnaped.

Mr. RICE. What was the story; who did it?

Mr. STROMBERG. Who did it? I don't know.

Mr. RICE. It never got in the papers; did it?

Mr. STROMBERG. Not that I know of. I don't know.

Mr. RICE. What was the inside story on the kidnaping of La Fontaine?

Mr. STROMBERG. I don't know about no inside story.

Mr. RICE. It happened more than once?

Mr. STROMBERG. Beg pardon?

Mr. RICE. Did it not happen more than once?

Mr. STROMBERG. I only heard once.

Mr. RICE. You only heard about it once?

Mr. STROMBERG. That is right.

Mr. RICE. Didn't a Philadelphia mob kidnap him and muscle into his place?

Mr. STROMBERG. I would not know that.

Mr. RICE. What did you hear?

Mr. STROMBERG. That he was kidnaped.

Mr. RICE. What was the story; who told you about it?

Mr. STROMBERG. I don't know. I think he told me the story himself about 6 months later.

Mr. RICE. He told you the story?

Mr. STROMBERG. Yes.

Mr. RICE. What did he tell you?

Mr. STROMBERG. That he was kidnaped.

Mr. RICE. Where did it happen?

Mr. STROMBERG. In Washington.

Mr. RICE. Where were you when he told you about it?

Mr. STROMBERG. New York.

Mr. RICE. In New York. You met him up there?

Mr. STROMBERG. Beg pardon?

Mr. RICE. Did you meet him in New York?

Mr. STROMBERG. He happened to come in for a fight. He was a man of sports. He used to go to every fight. And I met him there and he told me.

Mr. RICE. Was Mugsy Taylor with him?

Mr. STROMBERG. Not that time, I don't believe he was.

Mr. RICE. What did he tell you?

Mr. STROMBERG. What—that he gave up \$10,000.

Mr. RICE. He gave them \$10,000?

Mr. STROMBERG. Yes.

Mr. RICE. Hushed it up, did he not?

Mr. STROMBERG. Well, that is his business. I don't know.

Mr. RICE. How long did they hold him—who did it—where did they take him?

Mr. STROMBERG. I don't know where they took him. I don't know.

Mr. RICE. What did he tell—knock him off right in his place?

Mr. STROMBERG. He told me they took him in Washington.

Mr. RICE. Took him in Washington?

Mr. STROMBERG. Yes.

Mr. RICE. And right off the street?

Mr. STROMBERG. Yes; coming right out of a moving picture.

Mr. RICE. Took him out of the moving picture?

Mr. GRAY. He said coming out of the moving picture.

Mr. RICE. They scooped him up. He came right on the sidewalk?

Mr. STROMBERG. Something like that.

Mr. RICE. And put him in the car?

Mr. STROMBERG. Yes.

Mr. RICE. Where did they take him?

Mr. STROMBERG. How would I know?

Mr. RICE. What did he say?

Mr. STROMBERG. He did not know, himself, I imagine. I did not ask him and I don't know.

Mr. RICE. How did he get sprung?

Mr. STROMBERG. I wouldn't know that.

Mr. RICE. What did he tell? He said he paid \$10,000?

Mr. STROMBERG. I don't know.

Mr. RICE. How did he make the arrangements?

Mr. STROMBERG. I don't know. How would I know?

Mr. RICE. Who else was there when he was telling you about that?

Mr. STROMBERG. Nobody.

Mr. RICE. Was Mugsy there?

Mr. STROMBERG. No, sir.

Mr. RICE. Sure about that?

Mr. STROMBERG. Positive.

Mr. RICE. Were you all alone?

Mr. STROMBERG. Yes, sir.

Mr. RICE. You must have been more interested in that when a man says that he has gotten kidnaped and paid off. It looks to me you would be interested in how he did it.

Mr. GRAY. That is not a question. You do not need to comment.

Mr. STROMBERG. No comment.

Mr. RICE. How did he make the arrangement?

Mr. STROMBERG. I would not know. I did not ask him. I told you.

Mr. RICE. As a result of that, did he say in addition to the \$10,000 he had to give them a piece of the place?

Mr. STROMBERG. I would not know. He never told me that.

Mr. RICE. Beg pardon?

Mr. STROMBERG. He never told me that.

Mr. RICE. Never told you, just paid the \$10,000 and got loose?

Mr. STROMBERG. Yes.

Mr. RICE. How long did they hold him?

Mr. STROMBERG. I don't know. Probably a day. I don't know.

Mr. RICE. Just probably a day?

Mr. STROMBERG. Yes.

Mr. RICE. Did they put a gun on him when they picked him up?

Mr. STROMBERG. I wouldn't know.

Mr. RICE. All he told you he was walking out of the movie theater in Washington and they scooped him off the street?

Mr. STROMBERG. That is right.

Mr. RICE. And held him for ransom?

Mr. STROMBERG. Yes.

Mr. RICE. Why didn't he report that to J. Edgar Hoover?

Mr. STROMBERG. I don't know.

Mr. RICE. How long ago was that?

Mr. STROMBERG. About 16 or 17 years ago.

Mr. RICE. No, no; it was not that long ago.

Mr. STROMBERG. Wasn't it? Then it was about 18 years ago.

Mr. RICE. When did he tell you about it?

Mr. STROMBERG. Seventeen years ago, 18 years ago.

Mr. RICE. He told you right after it happened?

Mr. STROMBERG. About 6 months after.

Mr. RICE. Why didn't he report it, did he tell you?

Mr. STROMBERG. Why didn't he report it?

Mr. RICE. Why didn't he?

Mr. STROMBERG. I don't know.

Mr. RICE. That was in 1932, 18 years ago.

Mr. STROMBERG. That is what I said.

Senator TOBEY. Has he been a close friend of yours?

Mr. STROMBERG. Yes; I knew him very well.

Senator TOBEY. Known him for years?

Mr. STROMBERG. That is right.

Senator TOBEY. And so as the next friend he told you all of this, is that correct?

Mr. STROMBERG. I met him in New York, and we are in the hotel, and he happened to tell me the story that he was kidnapped, that is

right. He was a man of very few words and he didn't say much about it.

Senator TOBEY. Did you ever visit the place out here?

Mr. STROMBERG. Yes; I did.

Senator TOBEY. And it ran there by silent, tacit permission of the law authorities for years, did it not?

Mr. STROMBERG. Probably did.

Senator TOBEY. When it was against the law and the American authorities allowed it to run wide open?

Mr. STROMBERG. I suppose so.

Senator TOBEY. Do you think he paid anything for that protection?

Mr. STROMBERG. I would not know. I never asked him.

Senator TOBEY. Did he tell you about that?

Mr. STROMBERG. No, sir.

Senator TOBEY. Did you have a piece of his establishment?

Mr. STROMBERG. No, sir.

Senator TOBEY. Any share in his profits?

Mr. STROMBERG. None whatsoever.

Senator TOBEY. Your friendship grew just by your going out there and meeting him?

Mr. STROMBERG. He used to come to New York. He used to like baseball and fights, and I got him tickets for the fights. He was a pretty old man and I kind of liked him and he called me up. I would make reservations for him.

The CHAIRMAN. I want to ask you about one more thing, Mr. Rosen. During the war when there was some shortage of liquor in California, as well as other places——

Mr. STROMBERG. I did not get that.

The CHAIRMAN. During the war when there was some shortage of liquor in California as there was in other parts of the country, there was some testimony in California that the slot-machine industry out there, which was partly under the control of Louie Wolcher, whom you know——

Mr. STROMBERG. Who?

The CHAIRMAN. Lou Wolcher.

Mr. STROMBERG. I am sorry. I don't recall that name. I don't think I ever knew him.

The CHAIRMAN. You know William Gersh?

Mr. STROMBERG. No, sir.

The CHAIRMAN. You don't know William Gersh?

Mr. STROMBERG. No; unless I knew him by a different name.

The CHAIRMAN. Do you know a fellow who has the magazine The Cash Box?

Mr. STROMBERG. No, sir.

The CHAIRMAN. Then if you do not know, you would not know anything about this.

Mr. STROMBERG. I was only out to California once for a couple of days.

The CHAIRMAN. Of course. The Cash Box, I believe, operates in Chicago and Philadelphia and maybe New York. That is a magazine.

Mr. STROMBERG. I would not know that, Senator. Never heard of it in Philadelphia.

The CHAIRMAN. I notice here that you apparently have had some calls from Little Augie. Where did you know him?

Mr. STROMBERG. From New York.

The CHAIRMAN. In New York. Is he a good friend of yours?

Mr. STROMBERG. Yes; a pretty good friend.

The CHAIRMAN. Is Abner Longy Zwillman a good friend of yours?

Mr. STROMBERG. Yes.

The CHAIRMAN. The Moretti boys?

Mr. STROMBERG. Yes; we are friendly.

The CHAIRMAN. Tiny Lynch?

Mr. STROMBERG. Lynch? I don't know if I know Lynch or not. I don't know. I may know him. I don't know.

The CHAIRMAN. Do you know a fellow named Courtney, who lives in New York?

Mr. STROMBERG. Who?

The CHAIRMAN. A fellow named Courtney who has something to do with horse books in New York?

Mr. STROMBERG. I think I do.

The CHAIRMAN. You know him?

Mr. STROMBERG. Yes, sir.

Mr. RICE. How about Big Al Polizzi, who was here this morning?

Mr. STROMBERG. I said I did.

Mr. RICE. You said you did. Where did you meet him?

Mr. STROMBERG. I think in Florida I met him.

Mr. RICE. In Florida. Whereabouts?

Mr. STROMBERG. I don't know.

Mr. RICE. At the Sands Hotel?

Mr. STROMBERG. No; I did not meet him at the Sands. I saw him at the Sands a few times.

Mr. RICE. You saw him at the Sands?

Mr. STROMBERG. Yes.

Mr. RICE. Did you stay in room 601?

Mr. STROMBERG. Did I ever stay?

Mr. RICE. Yes.

Mr. STROMBERG. Not that I can recall.

Mr. GRAY. He has been asked all of those questions. I do not mind repeating them.

Mr. RICE. He has been asked about 601.

Mr. GRAY. And all of the other questions that you have asked him. I have no objection. I am not raising the question. I am just calling your attention to it.

Mr. RICE. How about Jack Friedlander, do you know him?

Mr. STROMBERG. I knew him from around New York.

Mr. RICE. From around New York?

Mr. STROMBERG. Yes.

Mr. RICE. In what connection did you know him?

Mr. STROMBERG. Just "Hello."

Mr. RICE. Just "Hello?"

Mr. STROMBERG. Yes; that is right.

Mr. RICE. Well now, what do you mean, just "Hello?"

Mr. STROMBERG. Well, just like you would know somebody on the street, and not very friendly. You would say "Hello" and just keep on going, but not very friendly with him.

Mr. RICE. Have you seen him lately?

Mr. STROMBERG. I have not seen him for a couple of years.

Mr. RICE. Where did you last see him?

Mr. STROMBERG. I think I saw him in Florida.

Mr. RICE. In Florida?

Mr. STROMBERG. I think the last time was the Orange Bowl game two winters ago.

Mr. RICE. Did you ever see him around the Sands?

Mr. STROMBERG. I probably saw him around it, going into it, but not in the Sands. I might have, into the barber shop.

Mr. RICE. Ever go to his house?

Mr. STROMBERG. To his house, never.

Mr. RICE. Never been to his home?

Mr. STROMBERG. Never.

Mr. RICE. What business is he in?

Mr. STROMBERG. I don't know what business.

Mr. RICE. When you knew him to say "Hello," what business was he in?

Mr. STROMBERG. When I knew him in New York I thought he was in the real-estate business. He had some property.

Mr. RICE. And in Florida what business was he in?

Mr. STROMBERG. In Florida, real estate, I thought he had.

Mr. RICE. Real estate?

Mr. STROMBERG. Yes.

The CHAIRMAN. Do you know Irving Sherman in New York?

Mr. STROMBERG. Yes.

The CHAIRMAN. How well do you know him?

Mr. STROMBERG. Not very well. I know him.

The CHAIRMAN. Ever had business transactions with him?

Mr. STROMBERG. No.

The CHAIRMAN. Just friendly?

Mr. STROMBERG. That is right.

The CHAIRMAN. Visits?

Mr. STROMBERG. Yes.

The CHAIRMAN. Did he come to your house?

Mr. STROMBERG. No, we never went to each other's houses.

The CHAIRMAN. You just see him at meetings?

Mr. STROMBERG. No meetings; probably see him in a restaurant, see him at a fight, a ball game, or something, see him at a bar once in a while.

The CHAIRMAN. All right.

Mr. RICE. How about Julius Fink, Paul Moore Blinky?

Mr. STROMBERG. I know him.

Mr. RICE. Do you know him?

Mr. STROMBERG. Yes.

Mr. RICE. What business is he in?

Mr. STROMBERG. Vegetable business, fruit, fruit and produce.

Mr. RICE. Where?

Mr. STROMBERG. In Baltimore.

Mr. RICE. Sure about that?

Mr. STROMBERG. Positive.

Mr. RICE. What is the name of the company?

Mr. STROMBERG. I don't know, but I know he is a fruit and produce.

Mr. RICE. Ever been a bookie?

Mr. STROMBERG. Has he ever been a bokkie?

Mr. RICE. Yes.

Mr. STROMBERG. Not to my knowledge.

Mr. RICE. When you were in the bookie business, did you do business with him?

Mr. STROMBERG. I never did no business with him, no; I didn't do none.

Mr. RICE. Did you ever do any business with him; is it possible?

Mr. STROMBERG. I never did.

Mr. RICE. Mr. Football Chic Berman?

Mr. STROMBERG. Chicie Berman. I know of him but not personally.

Mr. RICE. Did you meet him in Hot Springs not long ago?

Mr. STROMBERG. I know of him. I probably saw him in Hot Springs but I wouldn't swear that I did.

Mr. RICE. Where is he from?

Mr. STROMBERG. I think he is from Minneapolis.

Mr. RICE. Minneapolis?

Mr. STROMBERG. Yes.

Mr. RICE. He is the football odds maker is he not?

Mr. STROMBERG. Not that I know of.

Mr. RICE. What do you know him to be?

Mr. STROMBERG. What do I know him to be?

Mr. RICE. Yes.

Mr. STROMBERG. I don't know. I said I don't know him very well.

Mr. RICE. Were you down talking only to Berman?

Mr. STROMBERG. Was Berman alone?

Mr. RICE. Yes.

Mr. STROMBERG. Not that I know of.

Mr. RICE. You were there?

Mr. STROMBERG. Well, I said I was there.

Mr. RICE. When you went to see Owney Madden?

Mr. STROMBERG. I never went to see Owney Madden. Never went to see him.

Mr. RICE. Saw him when you were down there?

Mr. STROMBERG. I went to the only restaurant in that town and everybody congregates there.

Mr. RICE. They have a regular convention there?

Mr. STROMBERG. Everybody from every State in the Union goes to that restaurant.

Mr. RICE. Berman was there and Owney?

Mr. STROMBERG. I did not say I saw Berman there.

Mr. RICE. Weisberg was there?

Mr. STROMBERG. If he was there.

Mr. RICE. Hoffman?

Mr. STROMBERG. No, sir. I never saw Cappy Hoffman in Hot Springs.

Senator TOBEY. Do you know Virginia Hill?

Mr. STROMBERG. I heard of her by reputation.

Senator TOBEY. Never met her?

Mr. STROMBERG. No, sir.

The CHAIRMAN. That is all, Mr. Stromberg. Senator Tobey and I have conferred informally and we feel that so far as this committee is concerned that you have answered the questions that we wanted

to ask you. So that we will recommend to the full committee that no further proceedings be taken against you so far as the contempt is concerned.

Senator TOBEY. The Senator is speaking to you.

Mr. GRAY. He said that you had answered the questions, and so far as the subcommittee was concerned they would recommend to the full committee that no action be taken.

Mr. STROMBERG. Thank you very much.

The CHAIRMAN. That does not mean, of course, that we think that Mr. Rosen is a very good citizen, and that he leads an exemplary life or has all of his life.

Mr. GRAY. The newspapers of Philadelphia seem to think——

The CHAIRMAN. It may be possible that we may want Mr. Rosen for further questioning, so that the subpoena will be continued, Mr. Gray.

Mr. GRAY. If I am advised by counsel that you want him we will arrange a time satisfactory to the committee and be here.

The CHAIRMAN. Thank you, sir. All right.

Is Mr. Weisberg here?

Do you represent Mr. Weisberg?

Mr. GRAY. You know I represented both of them before the committee in Philadelphia, the only two I did represent.

The CHAIRMAN. You have been sworn, but we will swear you again. Do you solemnly swear that the testimony you will give this committee will be the whole truth, so help you God?

Mr. WEISBERG. Yes, sir.

FURTHER TESTIMONY OF WILLIAM WEISBERG, PHILADELPHIA, PA., ACCOMPANIED BY WILLIAM A. GRAY, ATTORNEY, PHILADELPHIA, PA.

The CHAIRMAN. All right, Mr. Klein. Will you proceed with Mr. Weisberg?

Mr. KLEIN. You have testified in Philadelphia on the following day after Mr. Stromberg?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. And Mr. Halley had discussed with you your participation in it. Before I get to that, is your address still the same, 50th and Spruce, Philadelphia?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Mr. Halley had talked to you about your participation in the clothing business with Mr. Stromberg.

Mr. WEISBERG. Yes.

Mr. KLEIN. And he had come to a question, "Since then," meaning about 7 or 8 years ago, "had you done nothing to earn a living at all?" And you refused to answer that question. Would you care to answer it now?

Mr. WEISBERG. Yes, sir. Well, if I answered to where you explained it, I will correct myself with that. I believe we opened a place of business in 1940. Stromberg left in '42 or '43, and I continued with it, with my brother-in-law and stayed there until the end of '47.

Mr. KLEIN. Have you done anything since 1947?

Mr. WEISBERG. Yes, sir; played horses.

Mr. KLEIN. Where?

Mr. WEISBERG. The race tracks.

Mr. KLEIN. Which tracks?

Mr. WEISBERG. Florida tracks, New York tracks, Jersey tracks.

Mr. KLEIN. Have you made any bets on horses away from the track?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Not at all?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Since 1947?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Did you make any before that?

Mr. WEISBERG. No, sir; not away from the track.

Mr. KLEIN. Do you mean to say you have never bet on a horse away from the track?

Mr. WEISBERG. My business is very undesirable. I play the horses to show, and no bookmaker will take them.

Senator TOBEY. What does to show mean?

Mr. WEISBERG. Third.

Mr. GRAY. Anywhere, one, two, three.

Mr. KLEIN. Why do you follow that particular system?

Mr. WEISBERG. Because it pays off.

Mr. KLEIN. Does it pay you off?

Mr. WEISBERG. Yes.

Mr. KLEIN. Are you a man of substance today?

Mr. WEISBERG. Pardon?

Mr. KLEIN. Are you a man of substance today?

Mr. WEISBERG. What do you mean by substance?

Mr. KLEIN. I mean are you a well-to-do man?

Mr. WEISBERG. No, sir.

Mr. KLEIN. You said it paid off?

Mr. WEISBERG. Well, I earned a good living.

Mr. KLEIN. Betting horses to show?

Mr. WEISBERG. Yes, sir.

Senator TOBEY. Why is it not just as easy to pick one to win as to play third?

Mr. WEISBERG. You have three different positions. They run second, you have three different holes from the fall, and they fall in the third hole, you collect the money.

Mr. KLEIN. You have made your living exclusively by betting on horses?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. You must have made a study of it?

Mr. WEISBERG. Quite a little.

Mr. KLEIN. It is a profession with you?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. And you are a pretty good handicapper?

Mr. WEISBERG. Fair.

Mr. KLEIN. Why then if you can bet them to show and make money at it can't you bet them to win and make money at it?

Mr. WEISBERG. I never figured that out. I know it is easier. You have three different holes, like I said before. You have three chances. I am sorry if I expressed myself wrong. I mean with the bulbs.

The CHAIRMAN. Let us get the pictures taken.

Mr. KLEIN. Have you always made your money betting horses?

Mr. WEISBERG. Quite a few years, yes.

Mr. KLEIN. Did you ever do anything else?

Mr. WEISBERG. I just told you I had a place of business.

Mr. KLEIN. Ever gamble in any other forms?

Mr. WEISBERG. Not very much, other than horses.

Mr. KLEIN. Not very much?

Mr. WEISBERG. No.

Mr. KLEIN. Did you gamble at all in other forms?

Mr. WEISBERG. None outside of playing cards.

Mr. KLEIN. Not at all?

Mr. WEISBERG. Outside of playing cards.

Mr. KLEIN. Is it not a fact—we will hold that for a little while.

Let me get these questions, first, these contempt questions.

Mr. WEISBERG. All right.

Mr. KLEIN. You had given Mr. Halley a résumé of your life and he took you up to 1934, or was it 1931, and he said, in those days what was your business, that is, 1931, and you refused to answer. What was your business in 1931?

Mr. WEISBERG. In '31 I was a chauffeur for Herman Taylor.

Mr. KLEIN. How long had you been chauffeur for Herman Taylor?

Mr. WEISBERG. I think from '31 until '35, I guess.

Mr. KLEIN. Four years?

Mr. WEISBERG. Yes, something like that.

Mr. KLEIN. Were you, also, his bodyguard?

Mr. WEISBERG. I am no bodyguard for no one.

Mr. KLEIN. No one?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Ever carry a gun?

Mr. WEISBERG. No, sir, never.

Mr. KLEIN. Never?

Mr. WEISBERG. Never.

Mr. KLEIN. Never had a gun in your hand?

Mr. WEISBERG. Yes; I have had a gun in my hand, 4th of July when I was a boy I had a cap pistol, the closest I got to a gun.

Mr. KLEIN. Is that all?

Mr. WEISBERG. I am sincere when I say that.

Mr. KLEIN. Is that all?

Mr. WEISBERG. That is all; yes, sir.

Mr. KLEIN. As a matter of fact, while you were a chauffeur for Mr. Taylor did you ever have occasion to meet Al Capone?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Is it not a fact that you met Al Capone at the gates of Eastern State Penitentiary in Philadelphia when he was released and took him to Taylor's house?

Mr. WEISBERG. That is not true.

Mr. KLEIN. That is not true?

Mr. WEISBERG. That is not true.

Mr. KLEIN. What prison was it?

Mr. WEISBERG. What prison I met him?

Mr. KLEIN. Yes.

Mr. WEISBERG. I met him in no prison.

Mr. KLEIN. Did you know Al Capone?

Mr. WEISBERG. No; not personally.

Mr. KLEIN. Never met him?

Mr. WEISBERG. Never saw him personally in my life.

Mr. KLEIN. You know Mugsy Taylor?

Mr. WEISBERG. Very well.

Mr. KLEIN. Did you see Capone with Taylor?

Mr. WEISBERG. No, sir.

Mr. RICE. How do you account for that story getting around Philadelphia that you met Capone when he was locked up there; do you remember that?

Mr. WEISBERG. I remember from reading the newspapers; yes.

Mr. RICE. How do you account for your name being linked to that story?

Mr. WEISBERG. I don't know.

Mr. RICE. Nothing to it at all?

Mr. WEISBERG. Nothing at all.

Mr. RICE. You say you had a cap gun in your hand on the 4th of July there at one time?

Mr. WEISBERG. Yes.

Mr. RICE. Is that the same gun you carried when you were arrested on May 27, 1933, for firearms act and robbery by hold-up, and you got 3 years' probation?

Mr. WEISBERG. That is not the way it was put to me. I was arrested in an automobile that I borrowed, and in this automobile there was a gun concealed. It took the detectives 3 days. Whether they found it or not, I don't know, but they come up with a gun.

Mr. RICE. They came up with a gun?

Mr. WEISBERG. Yes, sir. And the fellow who owns the automobile admitted it belonged to him.

Mr. RICE. Who was that, Warren?

Mr. WEISBERG. No; I forget the fellow's name. I think the fellow's name was Fisher, F-i-s-h-e-r.

Mr. RICE. What was that, a bum rap?

Mr. WEISBERG. Bum rap?

Mr. RICE. Yes; it wasn't your gun, was it?

Mr. WEISBERG. I did not know nothing about it. It was not mine.

Mr. RICE. We are getting a series of bum raps through here in the last couple of days.

Mr. WEISBERG. I don't know anything about it.

Mr. KLEIN. Mr. Halley asked you whether you were in the gambling business before 1933, and you refused to answer that. Were you in the gambling business before 1933?

Mr. WEISBERG. No, sir; other than playing horses; no, sir.

Mr. KLEIN. Other than what?

Mr. WEISBERG. Other than playing horses.

Mr. KLEIN. But you did not do it as a business?

Mr. GRAY. Before 1933.

Mr. WEISBERG. Before 1933, no.

Mr. KLEIN. Have you since then had any interest in the gambling business?

Mr. WEISBERG. No, sir.

Mr. KLEIN. None at all?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Mr. Halley asked you about your knowledge of the Maryland Athletic Club. By the way, you heard Mr. Stromberg testify?

Mr. WEISBERG. Yes I did.

Mr. KLEIN. He said that he was familiar with the Maryland Athletic Club?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Mr. Halley asked you whether you ever owned any part of the Maryland Athletic Club. Did you ever?

Mr. WEISBERG. Never in my life.

Mr. KLEIN. Then why did you refuse to answer Mr. Halley's question on the ground that it might incriminate you of a Federal offense?

Mr. WEISBERG. Well, I was evidently confused. And, like Stromberg testified, and I just refused to answer it.

Mr. KLEIN. You and he got confused together?

Mr. WEISBERG. I don't know whether we do or not. I know I was confused. I am a little nervous up here, too.

Mr. KLEIN. Mr. Halley asked you whether you had any financial transactions other than betting at a dice game with Jimmy LaFontaine. Apparently you had testified that you had or were in a crap game there in the Maryland Athletic Club in 1945 and 1946?

Mr. WEISBERG. Yes.

Mr. KLEIN. Mr. Halley asked whether you had any other financial transaction. Did you?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Ever place any horse bets there?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. How many?

Mr. WEISBERG. Well, I wouldn't remember how many. It is 4 or 5 years ago. I was there quite a few times.

Mr. KLEIN. Then you do bet away from the track, do you?

Mr. WEISBERG. Yes; this particular time I did; yes.

Mr. KLEIN. All right; now, Mr. Halley further asked you whether you ever received any money from Jimmy LaFontaine and you refused. Did you ever?

Mr. WEISBERG. I did not.

Mr. KLEIN. Never got any money?

Mr. WEISBERG. No, sir.

Mr. KLEIN. From Jimmy LaFontaine?

Mr. WEISBERG. No, sir.

Mr. KLEIN. How about paid off on bets; did he ever pay off any bets?

Mr. WEISBERG. No, sir.

Mr. KLEIN. You never won?

Mr. WEISBERG. I win some bets in the place. He never paid me.

Mr. KLEIN. He never paid you personally?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Then why did you refuse to answer that question on the ground that it might incriminate you?

Mr. WEISBERG. I told you that I was a little confused and I just refused to answer it.

Mr. KLEIN. The rest of these questions you answered very well. Mr. Halley asked you about your associations with various and sundry people like Meyer Lansky, and you said you thought Mr. Stromberg had introduced you. Do you know him? You knew John de Young and you knew John Hackett, who were detectives in Philadelphia,

and you had done some business with them at their automobile-repair place in Media?

Mr. WEISBERG. What did you say? I done some what?

Mr. KLEIN. You did some business with the automobile-repair place; you had your car repaired there?

Mr. WEISBERG. That is right.

Mr. KLEIN. And they are detectives, are they not?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Then Mr. Halley asked you whether you had ever given a gift to any police officer in Philadelphia, and you declined to answer that one. Have you ever given any gifts to police officers in Philadelphia?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Why did you decline to answer that?

Mr. WEISBERG. Well, I lived there for so many years I wanted to think it over; I wanted to make sure. Now I am ready to tell you that I never did.

Mr. KLEIN. You thought it over?

Mr. WEISBERG. Yes.

Mr. KLEIN. Well, now, Mr. Stromberg also thought it over, and after he thought it over and came back here today he decided that he had given some gifts to a police officer in Philadelphia.

Mr. WEISBERG. That is Mr. Stromberg.

Mr. KLEIN. I see. You carried on separate operations?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Now, Mr. Halley discussed with you your friendship for Frank Palermo.

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Who is Frank Palermo?

Mr. WEISBERG. He is a fellow I have known all of my life in Philadelphia.

Mr. KLEIN. What does he do?

Mr. WEISBERG. Fight manager.

Mr. KLEIN. Does he do anything else?

Mr. WEISBERG. Not that I know, sir.

Mr. KLEIN. Does not?

Mr. WEISBERG. No.

Mr. KLEIN. What business is he in?

Mr. WEISBERG. Fight manager.

Mr. RICE. Are you in the fight business?

Mr. WEISBERG. No.

Mr. RICE. What business do you do with Blinky Palermo?

Mr. WEISBERG. None whatsoever.

Mr. RICE. None whatsoever?

Mr. WEISBERG. Other than buying tickets off him for a fight.

Mr. RICE. Does he put fights on?

Mr. WEISBERG. Pardon?

Mr. RICE. How often does he put fights on?

Mr. WEISBERG. I wouldn't know that.

Mr. RICE. You know quite a bit about him. I noticed according to the telephone records you called him 16 times in 1 month in 1950.

Mr. WEISBERG. I told you we are very friendly. I was born and raised with him.

Mr. RICE. Born and raised with him?

Mr. WEISBERG. Yes, sir.

Mr. RICE. What did you telephone to him 16 times in 1 month about?

Mr. WEISBERG. I wouldn't know that.

Mr. RICE. You would know. You made the calls.

Mr. WEISBERG. Other than friendly calls, there was nothing else to it.

Mr. RICE. What do you talk about?

Mr. WEISBERG. What do I talk about?

Mr. RICE. Yes.

Mr. WEISBERG. How this fighter do today.

Mr. RICE. Talk about how he is doing to fix the fight; ever talk about that?

Mr. WEISBERG. No, sir; I don't bet on fights, and I never fixed no fights, and I know nothing about fights.

Mr. RICE. What do you talk about 16 times in a month?

Mr. WEISBERG. I wouldn't remember, sir, 16 times a month what I would talk about other than his fight business.

Mr. RICE. Just about fight business, except you do not bet on them?

Mr. WEISBERG. That is right. I don't bet on the fights.

Mr. RICE. What do you talk about when you talk about the fight business?

Mr. WEISBERG. I would not remember, sir.

Mr. RICE. You say you were born and raised with him?

Mr. WEISBERG. Yes.

Mr. RICE. Where were you born?

Mr. WEISBERG. Philadelphia.

Mr. RICE. Philadelphia?

Mr. WEISBERG. I was born in Russia, but I come to Philadelphia when I was 6 months old.

Mr. RICE. Then you were reborn?

Mr. WEISBERG. Yes, sir; that is right.

Mr. KLEIN. Mr. Halley asked you whether you had ever had any business relationship with Palermo in matters which, while they might not constitute violations or they might constitute violations of State law, did not constitute violations of Federal law, and you refused to answer that. Have you had any illegal relationships with Mr. Palermo?

Mr. WEISBERG. Never had no business direct, indirect, or otherwise with Frank Palermo.

Mr. KLEIN. Did you not know, as a matter of fact, that Palermo is the numbers banker in Philadelphia?

Mr. WEISBERG. I couldn't swear to that.

Mr. KLEIN. Is it common knowledge?

Mr. WEISBERG. About being common knowledge, other than what I saw in the newspapers, I would not know.

Mr. KLEIN. The only information you have about Frank Palermo's connection with the numbers business is what you read in the newspapers?

Mr. WEISBERG. That is right.

Mr. KLEIN. You are sure of that?

Mr. WEISBERG. I am positive.

Mr. KLEIN. These 16 calls that Mr. Rice speaks about, they could not have been in connection with the numbers business?

Mr. WEISBERG. No, sir; positively not.

Mr. KLEIN. You swear under oath you have nothing to do with the numbers business in Philadelphia?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Have you ever had?

Mr. WEISBERG. Yes.

Mr. KLEIN. You have had?

Mr. WEISBERG. Yes.

Mr. KLEIN. Were you a numbers writer?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Were you a numbers banker?

Mr. WEISBERG. I was in partners with a fellow, I think, in 1936 or 1937.

Mr. KLEIN. How long did that partnership last?

Mr. WEISBERG. Maybe about between a year and two.

Mr. KLEIN. Who were you in partnership with?

Mr. WEISBERG. A man by the name of James Tendler.

Mr. KLEIN. James Tendler?

Mr. WEISBERG. Tendler; yes, sir.

Mr. KLEIN. Is he any relative of Lew Tendler, the fighter?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Who is James Tendler?

Mr. WEISBERG. The last time I—I haven't seen him for 8 or 10 years—the last time I knew of James Tendler he had a newsstand at Eleventh and Market.

Mr. KLEIN. Why did you get out of the business?

Mr. WEISBERG. I got broke.

Mr. KLEIN. You went broke?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. And were in it for 2 years?

Mr. WEISBERG. Yes; that is right; close to 2 years.

Mr. KLEIN. You have not been in it since?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Directly or indirectly?

Mr. WEISBERG. That is right.

Mr. KLEIN. How did you operate during those 2 years?

Mr. WEISBERG. Well, he had a book of his own between \$100 and \$150 a day. He used to pick it up, he used to run it off, and he used to bring me the returns. I put the money up for it.

Mr. KLEIN. How much did you put up?

Mr. WEISBERG. About \$1,500.

Mr. KLEIN. And you held on for 2 years on \$1,500 capital?

Mr. WEISBERG. Yes.

Mr. KLEIN. Did you make any money out of it?

Mr. WEISBERG. Made a living.

Mr. KLEIN. Made a living?

Mr. WEISBERG. Yes.

Mr. KLEIN. But you went broke?

Mr. WEISBERG. Yes. I lived a little above my means. When I win something I spend it.

Mr. KLEIN. You do that today?

Mr. WEISBERG. Yes.

Mr. KLEIN. Still live above your means?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. By the way, when you go to Florida, where do you stay?

Mr. WEISBERG. Well, so far as my memory can serve me, in 1946 and '47 and '48 I stayed at the Sands Hotel. In '49 I stayed at the San Souci.

Mr. KLEIN. The San Souci is a brand-new one?

Mr. WEISBERG. Last year was the first year.

Mr. KLEIN. And quite high-priced?

Mr. WEISBERG. Yes; pretty expensive.

Mr. KLEIN. When you went to the Sands Hotel you had friends there?

Mr. WEISBERG. Yes.

Mr. KLEIN. Did you have the same friends that Mr. Stromberg had?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Who were your friends?

Mr. WEISBERG. David Glass and Ben Street.

Mr. KLEIN. They own part of the place; do they not?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Do you?

Mr. WEISBERG. No.

Mr. KLEIN. You stayed in Mr. Glass' own room, 601?

Mr. WEISBERG. That was my room.

Mr. KLEIN. That was your room?

Mr. WEISBERG. Yes.

Mr. KLEIN. How much did you pay for it?

Mr. WEISBERG. There was no charge.

Mr. KLEIN. No charge?

Mr. WEISBERG. No, sir.

Mr. KLEIN. They had you as their guest?

Mr. WEISBERG. I was not a guest. I brought the hotel some business. I brought some business to the bar. In return they give me my board—me and my wife.

Mr. KLEIN. Whom did you bring?

Mr. WEISBERG. My wife.

Mr. KLEIN. Whom did you bring?

Mr. WEISBERG. Oh, oh.

Mr. KLEIN. The business.

Mr. WEISBERG. I know a lot of people in Philadelphia, and whoever I would meet I would ask them to come in and have a drink.

Mr. KLEIN. Who did you bring?

Mr. WEISBERG. I don't remember who I brought.

Mr. KLEIN. Well, now, look—

Mr. WEISBERG. Three years; I brought Herman Taylor and his family.

Mr. KLEIN. You had Herman Taylor down?

Mr. WEISBERG. Yes.

Mr. KLEIN. Herman knew Street and Glass before you brought him down there; did he not?

Mr. WEISBERG. Yes.

Mr. KLEIN. Do you take credit for introducing them?

Mr. WEISBERG. I believe I did introduce them to both of them.

Mr. KLEIN. You did?

Mr. WEISBERG. I think I did; yes.

Mr. KLEIN. Who else did you take?

Mr. WEISBERG. Well, offhand, I would not remember.

Mr. KLEIN. You mean in 3 years you do not remember a single individual?

Mr. WEISBERG. When I say "take," I would ask them to come down, and they get at the bar and have a few drinks.

Mr. KLEIN. I understand that, but who?

Mr. WEISBERG. I don't remember who.

Mr. KLEIN. You know a lot of people?

Mr. WEISBERG. I know a lot of people. A lot of people know me, but I would not remember who in 3 years—don't remember.

Mr. KLEIN. Are you responsible for Al Polizzi going down?

Mr. WEISBERG. No; know him by sight only.

Mr. KLEIN. You were not responsible for his going?

Mr. WEISBERG. I say I knew him. That is where I saw him. First time I ever saw him was at the Sands Hotel.

Mr. KLEIN. You heard me reel off a whole string of names to Mr. Stromberg, that had been at the Sands Hotel whom he knew. Did you not hear a single one except Herman Taylor you might have induced to go there with this free rent for three seasons and free food?

Mr. WEISBERG. No food; just the room, incidentals.

Mr. KLEIN. No liquor?

Mr. WEISBERG. No, sir.

Mr. KLEIN. You paid for that?

Mr. WEISBERG. Yes, sir; paid for everything but the room.

Mr. KLEIN. 601 is Mr. Glass' own room; is it not?

Mr. WEISBERG. That was my room when I was there.

Mr. KLEIN. When you were there?

Mr. WEISBERG. Yes.

Mr. KLEIN. And who lives in it the rest of the year?

Mr. WEISBERG. I don't know that; I would not know.

Mr. KLEIN. Senator Kefauver in Philadelphia asked you what you considered your gross worth. And, before I ask you, I want to ask, Are you under investigation by the income-tax people?

Mr. WEISBERG. I don't think I am, sir.

Mr. KLEIN. Have you any objection to answering that question?

Mr. WEISBERG. No, sir.

Mr. KLEIN. What is your net worth today?

Mr. WEISBERG. Well, I will start this way: I believe my wife has got three or four thousand dollars worth of bonds that she accumulated over a period of years since the last war, and maybe two or three thousand dollars in cash. I have no money at all.

Mr. KLEIN. None at all?

Mr. WEISBERG. No, sir.

Mr. KLEIN. Do you drive a car?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. What make?

Mr. WEISBERG. Cadillac.

Mr. KLEIN. What year?

Mr. WEISBERG. 1949.

Mr. KLEIN. What model?

Mr. WEISBERG. Four-door sedan.

Mr. KLEIN. Who paid for that?

Mr. WEISBERG. I did.

Mr. KLEIN. How much?

Mr. WEISBERG. I think it cost \$3,700.

Mr. KLEIN. Where did you get the money?

Mr. WEISBERG. Where did I get the money?

Mr. KLEIN. Yes.

Mr. WEISBERG. Playing horses.

Mr. KLEIN. You won \$3,700 and bought a Cadillac?

Mr. WEISBERG. That is right.

Mr. GRAY. You do not mean by that question you won \$3,700 at one time or 1 day?

Mr. KLEIN. Won \$3,700.

Mr. WEISBERG. I bought it on notes to begin with, Mr. Klein.

Mr. KLEIN. Pardon?

Mr. WEISBERG. I bought the car to pay out.

Mr. KLEIN. But you paid for it since?

Mr. WEISBERG. Yes.

Mr. KLEIN. You have no regular employment. Do you have anything to bet?

Mr. WEISBERG. Right now I am unemployed.

Mr. KLEIN. In addition to your trip to Florida last year, you went to Florida this year?

Mr. WEISBERG. No; I did not.

Mr. KLEIN. You did not go?

Mr. WEISBERG. No.

Mr. KLEIN. Where did you go? To Hot Springs?

Mr. WEISBERG. Did not go no place.

Mr. KLEIN. You did not have any winter vacation this year?

Mr. WEISBERG. Yes.

Mr. KLEIN. You are under subpena to a Federal grand jury in Philadelphia?

Mr. WEISBERG. That is right.

Mr. KLEIN. You have been for some months?

Mr. WEISBERG. I could have left, if I wanted to; yes. I mean, I got permission to leave if I wanted to.

Mr. KLEIN. The only reason you did not go was because—

Mr. WEISBERG. Little short of money.

Mr. KLEIN. All right. Are you looking for work?

Mr. WEISBERG. I am looking for—trying to get a business of some kind, since I am all right in Philadelphia; yes.

Mr. KLEIN. How are you going to go into business? You say you have no capital.

Mr. WEISBERG. Maybe I can borrow some money.

Mr. KLEIN. Who do you borrow from?

Mr. WEISBERG. Who?

Mr. KLEIN. Yes.

Mr. WEISBERG. Well, the only one that I would have in mind now would be Herman Taylor.

Mr. KLEIN. Herman Taylor?

Mr. WEISBERG. Yes.

Mr. KLEIN. You are close enough to Taylor to have him lend you money?

Mr. WEISBERG. Yes.

Mr. KLEIN. Has he loaned you money in the past?

Mr. WEISBERG. He loaned me money on quite a few occasions; yes.

Mr. KLEIN. Substantial sums?

Mr. WEISBERG. \$500, \$1,000.

Mr. KLEIN. Mr. Stromberg ever lend you money?

Mr. WEISBERG. Yes; a few occasions.

Mr. KLEIN. How much?

Mr. WEISBERG. \$500.

Mr. KLEIN. You paid them all back?

Mr. WEISBERG. Yes. I don't know whether there is a little difference yet or not. I think there is a little difference.

Mr. KLEIN. You owe him some?

Mr. WEISBERG. A little bit.

Mr. KLEIN. How about Mr. Hoffman? Did he ever lend you money?

Mr. WEISBERG. No, sir.

Mr. KLEIN. You list yourself on your tax returns as a "commission merchant."

Mr. WEISBERG. That is right.

Mr. KLEIN. What is the nature of that business?

Mr. WEISBERG. Horse playing.

Mr. KLEIN. You took bets for others?

Mr. WEISBERG. I don't book no bets.

Mr. KLEIN. How do you account for commissions?

Mr. WEISBERG. Well, that is how I listed it.

Mr. KLEIN. That is how you listed it?

Mr. WEISBERG. Yes.

Mr. KLEIN. It might not be correct.

Mr. WEISBERG. Well, I am sorry, I have been listing that way for 15, 16 years, and no one ever said anything to me about it.

Mr. KLEIN. In 1936 you listed as income commissions from various bureaus, \$9,200; what does that mean?

Mr. WEISBERG. Various what?

Mr. KLEIN. Bureaus.

Mr. WEISBERG. I never read that. Various sources, maybe.

Senator TOBEY. Maybe he took it out of the bureau drawers.

Mr. KLEIN. Let us assume that it is various sources. What are these commissions? What did you do that entitled you to earn commissions?

Mr. WEISBERG. Well, I termed it as "commission."

Mr. KLEIN. Actually it was winning horse races?

Mr. WEISBERG. Yes.

Mr. KLEIN. That is what you say now?

Mr. WEISBERG. That is right.

Mr. KLEIN. Would the same thing be true in 1947 when you listed \$75 less than you listed in 1946?

Mr. WEISBERG. The same source.

Mr. KLEIN. The same source. How does it happen that in 1946 and 1947 you won almost the same amount, \$9,200 except for the \$75?

Mr. WEISBERG. What is the except? You mean less?

Mr. KLEIN. Yes.

Mr. WEISBERG. Things like that do happen.

Mr. KLEIN. Just comes out that way?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. How about 1948, what was your commission in 1948?

Mr. WEISBERG. What were my commissions?

Mr. KLEIN. Yes.

Mr. WEISBERG. I think about fourteen, fifteen thousand dollars.

Mr. KLEIN. In 1948?

Mr. WEISBERG. I am not sure.

Mr. KLEIN. In 1949?

Mr. WEISBERG. 1949, I think around eighteen or nineteen thousand dollars, I guess.

Mr. KLEIN. Going up?

Mr. WEISBERG. Well, I got a little luckier.

Mr. KLEIN. How about 1950?

Mr. WEISBERG. I have not turned my income-tax sheet in yet.

Mr. KLEIN. Have you any idea what you are going to report for 1950?

Mr. WEISBERG. I won't know. I had a very poor year.

Mr. KLEIN. A poor year?

Mr. WEISBERG. Yes.

The CHAIRMAN. Is there anything else?

Mr. KLEIN. I wanted to get through these questions. That appears to be the last question, Senator. Mr. Rice may have something.

The CHAIRMAN. Mr. Rice, have you some questions?

Mr. RICE. I have a couple of questions. Do you know Mugsy Taylor?

Mr. WEISBERG. Pardon?

Mr. RICE. You said you knew Mugsy Taylor?

Mr. WEISBERG. Yes, sir.

Mr. RICE. And were you down at the Maryland Athletic Club with Mugsy?

Mr. WEISBERG. I don't ever remember seeing him there.

Mr. RICE. When you were down at La Fontaine's place here outside of Washington, who were you with?

Mr. WEISBERG. Well, I will tell you, it is so long ago, I wouldn't remember them names, maybe some horse players or handicappers.

Mr. RICE. Were you down with Nig Rosen?

Mr. WEISBERG. No; never.

Mr. RICE. Never were with him there?

Mr. WEISBERG. Not there; no sir.

Mr. RICE. Did La Fontaine tell you about being kidnaped?

Mr. WEISBERG. I don't know nothing about that.

Mr. RICE. You do not know anything about that?

Mr. WEISBERG. No, sir.

Mr. RICE. Did you ever hear it?

Mr. WEISBERG. No, sir; first I heard it in here.

Mr. RICE. You heard it the first time you heard it here?

Mr. WEISBERG. First time in my life I knew it.

Mr. RICE. Never heard that a Philadelphia mob kidnaped him?

Mr. WEISBERG. No.

Mr. RICE. Who is the Philadelphia mob?

Mr. WEISBERG. Who is who?

Mr. RICE. Who is the Philadelphia mob?

Mr. WEISBERG. I don't know any mobs in Philadelphia.

Mr. RICE. You were in touch with Herbert's Jewelry Store over in Jersey. Who is that?

Mr. WEISBERG. Herbert's Jewelry Store?

Mr. RICE. Yes.

Mr. WEISBERG. I don't know.

Mr. RICE. Do you know Neddie Herbert?

Mr. WEISBERG. Yes; I knew him. I knew who he was.

Mr. RICE. What business was he in?

Mr. WEISBERG. That I would not know, sir. I evidently saw him three times in my life.

Mr. RICE. I see where you telephoned to Herbert's Jewelry Shop in Jersey City.

Mr. WEISBERG. I don't recall that, sir.

Mr. RICE. No connection with Neddie Herbert?

Mr. WEISBERG. No, sir; none whatsoever.

Mr. RICE. You probably do not even know what I am talking about, do you?

Mr. WEISBERG. No, I don't.

Mr. RICE. You called somebody else there when it was listed to Herbert's Jewelry Shop?

Mr. WEISBERG. I don't know what you are talking about.

Mr. RICE. And Happy Freer, do you know him?

Mr. WEISBERG. Yes.

Mr. RICE. What business is he in?

Mr. WEISBERG. Jewelry business.

Mr. RICE. He is in the jewelry business. Is he known as Melser?

Mr. WEISBERG. Yes, sir.

Mr. RICE. What is his name—what do you call him?

Mr. WEISBERG. Happy.

Mr. RICE. Happy—you said you call him Happy?

Mr. WEISBERG. Happy.

Mr. RICE. Where did you get Happy?

Mr. WEISBERG. That is how I know him. I don't know.

Mr. RICE. What do you do with Happy?

Mr. WEISBERG. Pardon?

Mr. RICE. What do you talk to Happy about when you call him?

Mr. WEISBERG. Tell you what business I had with Happy in 1945, I believe, while I was in business watches were hard to get, watches and fountain pens, and I bought maybe 2 dozen watches off of him, three or four at a time.

Mr. RICE. Was he a fence?

Mr. GRAY. Let him finish that answer.

Mr. RICE. Yes.

Mr. WEISBERG. Bought watches.

Mr. RICE. You bought watches?

Mr. WEISBERG. I bought some watches from him when watches were hard to get, when I was in business, maybe about 2 dozen, three or four at a time, and some fountain pens.

Mr. RICE. What business were you in?

Mr. WEISBERG. Credit clothing in Wilmington, Del.

Mr. RICE. He was getting you watches?

Mr. WEISBERG. Yes.

Mr. RICE. What has that to do with the credit clothing?

Mr. WEISBERG. We sold watches, radios, clothing.

Mr. RICE. And fountain pens?

Mr. WEISBERG. Yes.

Mr. RICE. You got them from Happy?

Mr. WEISBERG. A couple of dozen; yes.

Mr. RICE. Were those new watches?

Mr. WEISBERG. Yes, sir.

Mr. RICE. How about Baltimore Blinky, you do business with him?

Mr. WEISBERG. No business.

Mr. RICE. Fink?

Mr. WEISBERG. Just a good friend of mine.

Mr. RICE. Telephone him quite frequently?

Mr. WEISBERG. We are very good friends.

Mr. RICE. What do you talk to him about?

Mr. WEISBERG. Fights, football. We are just friendly.

Mr. RICE. Just talk about fights and football?

Mr. WEISBERG. That is right.

Mr. RICE. And talk about Bob Montgomery?

Mr. WEISBERG. Who?

Mr. RICE. Bob Montgomery.

Mr. WEISBERG. Bob Montgomery, when he was fighting we talked about him, too.

Mr. RICE. Did you handle him?

Mr. WEISBERG. I was never connected with no fight business.

Mr. RICE. Had no interest in Montgomery?

Mr. WEISBERG. None whatsoever. Not only Montgomery, no other fighter.

Mr. RICE. Never had an interest in a fighter?

Mr. WEISBERG. No, sir.

Mr. RICE. Now, sir, what is your telephone number in Philadelphia?

Mr. WEISBERG. Today?

Mr. RICE. Yes.

Mr. WEISBERG. Sherwood 7-1886.

Mr. RICE. Whose name is that listed in?

Mr. WEISBERG. It was listed under my sister-in-law's name. I have had it for over 25 years.

Mr. RICE. In your sister-in-law's name?

Mr. WEISBERG. I lived with her 25 years ago.

Mr. RICE. What is her name?

Mr. WEISBERG. Spearak, Sarah Spearak.

Mr. RICE. Why did you have your telephone number changed?

Mr. WEISBERG. Why?

Mr. RICE. Yes.

Mr. WEISBERG. Because people used to call me all hours of the night and wake me up and hang up on me and I have a very nervous wife.

Mr. RICE. How long ago did you have the number changed?

Mr. WEISBERG. I have had it changed three or four times, maybe, in the last year.

Mr. RICE. That was an unlisted number before, was it not?

Mr. WEISBERG. It is listed. My phone was never unlisted.

Mr. RICE. Never has been listed in your name, has it?

Mr. WEISBERG. No, sir. I kept it under my sister-in-law's name.

Mr. RICE. Who are these people that would be calling you up, who would they be?

Mr. WEISBERG. I can't hear that.

Mr. RICE. Who were the people that called you up?

Mr. WEISBERG. I'd like to know. I'd like to find out. I told you they called me and would hang up.

Mr. RICE. Did you do any business with Abe Minker in Reading?

Mr. WEISBERG. No, sir.

Mr. RICE. You called him up?

Mr. WEISBERG. No, sir.

Mr. RICE. Never called him?

Mr. WEISBERG. Maybe I did call him. I don't remember if I did or not, sir.

Mr. RICE. Let us get a little closer than maybe.

Mr. WEISBERG. Abe Minker.

Mr. RICE. What business is Minker in?

Mr. WEISBERG. I think he is in the fruit and produce business.

Mr. RICE. Fruit business?

Mr. WEISBERG. I haven't seen him in 8 or 10 years.

Mr. RICE. Have you talked to him on the telephone in the last 8 years?

Mr. WEISBERG. I think I did.

Mr. RICE. You talked with him in the last year?

Mr. WEISBERG. In the last year—I don't think I did, sir.

Mr. RICE. Sure about that?

Mr. WEISBERG. I am not sure. I am under oath and I won't say for sure. Maybe I did and maybe I didn't.

Mr. RICE. He has a criminal record.

Mr. WEISBERG. Pardon?

Mr. RICE. Minker has a criminal record.

Mr. WEISBERG. I don't know too much about Mr. Minker.

Mr. RICE. What do you call him up for?

Mr. WEISBERG. Why do I call him for?

Mr. RICE. Yes.

Mr. WEISBERG. I don't know what the occasion was for, if I did call him.

Mr. RICE. You did call him, I will tell you that.

Mr. WEISBERG. I don't know what the occasion was for.

Mr. RICE. Just very vague about the whole thing; is that it?

Mr. WEISBERG. No; I won't say vague. Maybe he asked me to do something for him. Maybe I met him or something.

Mr. RICE. For instance, what would he ask?

Mr. WEISBERG. Maybe get him a couple of tickets for a fight or something or a room in Philadelphia.

Mr. RICE. Are you in the ticket business?

Mr. WEISBERG. No, sir.

Mr. RICE. What do you do about tickets?

Mr. WEISBERG. It is easier to get them in Philadelphia than for Abe Minker in Reading.

Mr. RICE. Why would that be?

Mr. WEISBERG. Well, because I live in Philadelphia, and I would know who would sell them.

Mr. RICE. Minker is in the beer business in Reading?

Mr. WEISBERG. I wouldn't know what business other than the fruit business. I wouldn't know what business he is in.

Mr. RICE. Have any slot machines down there?

Mr. WEISBERG. Not that I know of. I haven't been in Reading 5 or 6 years, maybe 7 years.

Mr. RICE. How about Abe Peck?

Mr. WEISBERG. None whatsoever.

Mr. RICE. Don't know him?

Mr. WEISBERG. Yes; I know Abe Peck.

Mr. RICE. Don't do any business with him?

Mr. WEISBERG. No.

Mr. RICE. What business is he in?

Mr. WEISBERG. That I don't know.

Mr. RICE. You don't know what business he is in?

Mr. WEISBERG. No; I really don't.

Mr. RICE. Milky Tichner?

Mr. WEISBERG. I know him.

Mr. RICE. Have you ever had any transactions with him?

Mr. WEISBERG. None whatsoever.

Mr. RICE. What do you know him to be?

Mr. WEISBERG. Well, from the newspapers—

The CHAIRMAN. If you do not know anything, say so.

Mr. WEISBERG. I do not know.

Mr. RICE. He is a Philadelphia man; is he not?

Mr. WEISBERG. Yes; he is from Philadelphia.

Mr. RICE. Did you talk to Tichner on the telephone?

Mr. WEISBERG. Maybe I have.

Mr. RICE. I see he has an unlisted number. How do you get hold of that?

Mr. WEISBERG. I never called Max Tichner on the phone.

Mr. RICE. Never called him on the phone?

Mr. WEISBERG. I don't ever remember calling him on the telephone.

Mr. RICE. Did he ever call you?

Mr. WEISBERG. Maybe he did.

Mr. RICE. What would you talk about?

Mr. WEISBERG. Pardon?

Mr. RICE. What do you talk about?

Mr. WEISBERG. I guess everything in general. I don't remember what I talked to him about.

Mr. RICE. Ever talk about the numbers business when you called him?

Mr. WEISBERG. No, sir.

Mr. RICE. Now, sir, do you know a Clark on the police department, Lieutenant Clark up there?

Mr. WEISBERG. Yes, sir.

Mr. RICE. What squad?

Mr. GRAY. I think I should say that I advised the committee when they asked him about it before on the record that he is no longer a detective or with the police department. You speak as if he was. He has been off the force for a long while.

Mr. RICE. When you say you were in the numbers business for a while in Philadelphia—

Mr. WEISBERG. Yes, sir.

Mr. RICE (continuing). Who was that with?

Mr. WEISBERG. James Tendler.

Mr. RICE. With Tendler?

Mr. WEISBERG. Yes.

Mr. RICE. That was up until what year?

Mr. WEISBERG. I believe—

Mr. GRAY. He has already testified on that.

Mr. WEISBERG. 1936 or 1937.

Mr. RICE. And haven't been in the business since then?

Mr. WEISBERG. No, sir.

Mr. RICE. How did you handle the protection?

Mr. WEISBERG. He took care of all of that.

Mr. RICE. Who?

Mr. WEISBERG. Tendler.

Mr. RICE. Tendler did?

Mr. WEISBERG. Yes.

Mr. RICE. What arrangements did he make?

Mr. WEISBERG. I don't know. He used to put the expense on the slip and that is all. Who he give anything to, I wouldn't know.

Mr. RICE. What would he put down?

Mr. WEISBERG. I don't remember right now, 15 years. How am I to remember what he put down?

Mr. RICE. You were in business with him.

Mr. WEISBERG. Yes; I was.

Mr. RICE. Would you not check him to see what he put down?

Mr. WEISBERG. I trusted him.

Mr. RICE. You trusted him?

Mr. WEISBERG. Yes, sir.

Mr. RICE. How much did he put down per week or month?

Mr. WEISBERG. I wouldn't remember.

Mr. RICE. Approximately.

Mr. WEISBERG. I wouldn't remember.

Mr. GRAY. I think you are quoting him incorrectly. He did not say anything about down for protection. What he said he put down was for expenses, whether it was paid for protection the committee can draw its own conclusions, but I do not want the witness misquoted. You can call it the same thing. I don't just want you to misquote him.

Mr. RICE. How did it work?

Mr. WEISBERG. To tell you the truth I testified before this committee before and I testified under oath.

Mr. RICE. Tell us now. Memory is getting bad. How did you put the fix in down at Philadelphia?

Mr. WEISBERG. How did I put it in?

Mr. RICE. Yes.

Mr. WEISBERG. I never had no fix in. I was not allowed in Philadelphia.

Mr. RICE. How did Tendler put it in?

Mr. WEISBERG. I don't know.

Mr. RICE. You say he put expenses down?

Mr. WEISBERG. Yes; that is right.

Mr. RICE. What do you mean?

Mr. WEISBERG. General expenses. I don't know what he put down. I don't know what it was for.

Mr. RICE. Protection?

Mr. WEISBERG. I don't know.

Mr. RICE. Was Lieutenant Clark involved?

Mr. WEISBERG. I don't know who was involved.

Mr. RICE. Did you meet Clark?

Mr. WEISBERG. Did I what?

Mr. RICE. Did you ever meet with him?

Mr. WEISBERG. Yes; I have met him quite often.

Mr. RICE. Did you ever have dinner with him?

Mr. WEISBERG. No, sir.

Mr. RICE. Did you ever have dinner with Lieutenant Clark and Mugsy Taylor?

Mr. WEISBERG. No, sir.

Mr. RICE. At the Warwick?

Mr. WEISBERG. No, sir.

Mr. RICE. On or about September 20, 1946?

Mr. WEISBERG. No, sir.

Mr. RICE. Sure about that?

Mr. WEISBERG. Pretty near sure.

Mr. RICE. Pretty sure?

Mr. WEISBERG. Ninety percent sure.

Mr. RICE. Let us get closer than that. Let us get that other 10 percent in here now. Did you ever have dinner with Lieutenant Clark at the Warwick?

Mr. WEISBERG. Did I ever have dinner?

Mr. RICE. Yes.

Mr. WEISBERG. No, sir.

Mr. RICE. How about you and Mugsy Taylor?

Mr. WEISBERG. Alone?

Mr. RICE. And Clark?

Mr. WEISBERG. No, sir.

Mr. RICE. Did you ever have dinner at the Warwick with Mugsy Taylor?

Mr. WEISBERG. Maybe 10 years ago.

Mr. RICE. What was that about?

Mr. WEISBERG. We just had dinner.

Mr. GRAY. To eat.

Mr. RICE. Did you ever have dinner any place with Lieutenant Clark?

Mr. WEISBERG. No, sir.

Mr. RICE. Sure about that?

Mr. WEISBERG. Positive.

The CHAIRMAN. All right. You say you were not allowed in Philadelphia?

Mr. WEISBERG. That is right, Senator.

The CHAIRMAN. When was it you were not allowed there?

Mr. WEISBERG. Well, from 1940 until 1950, 10 years.

Mr. GRAY. The committee has a full statement of that on the record the last time.

The CHAIRMAN. Senator O'Connor was presiding then. Now you are back in good graces, so you are allowed in Philadelphia?

Mr. WEISBERG. I am under the jurisdiction of the jury, Senator, that is why I guess why no one bothers me.

The CHAIRMAN. Who chased you out of Philadelphia, who told you not to come there?

Mr. WEISBERG. George Richardson.

The CHAIRMAN. That was in 1940?

Mr. WEISBERG. That is right.

The CHAIRMAN. Did you go to any of these shows or clubs in New York with Mr. Stromberg and Mr. Richardson?

MR. WEISBERG. I was never on friendly terms with Mr. Richardson. The CHAIRMAN. You never got along with him?

MR. WEISBERG. No, sir.

The CHAIRMAN. How do you keep your books?

WEISBERG. I don't keep no books, Senator.

The CHAIRMAN. How do you know now that you made fifteen or nineteen thousand dollars in 1949?

MR. WEISBERG. Well, I started out the beginning of the year, like I did this year, and take care of whatever I have to and count that in at the end of the year. I come to the conclusion what I have to pay the Government.

The CHAIRMAN. You mean you just pay all of your expenses out of pocket and what you have left, is that your income?

MR. WEISBERG. No, sir; whatever I earn I pay on.

The CHAIRMAN. How do you keep account of it unless you keep some books?

MR. WEISBERG. I just do not keep no books. I just keep a bottom line and at the end of the line I have it.

The CHAIRMAN. You keep it in you head?

MR. WEISBERG. One figure I keep.

The CHAIRMAN. You just keep one figure?

MR. WEISBERG. Yes, sir.

The CHAIRMAN. From day to day?

MR. WEISBERG. Yes.

The CHAIRMAN. What is your figure today?

MR. WEISBERG. I haven't it. I don't have no figure.

The CHAIRMAN. You have been betting some horses this year, have you not?

MR. WEISBERG. Yes; I did. I left them. I have the figures at home. I just cannot remember how much it is right now.

The CHAIRMAN. You have just one figure?

MR. WEISBERG. That is right.

The CHAIRMAN. You do not know how much it is now?

MR. WEISBERG. No.

The CHAIRMAN. We will have a 3-minute recess.

Mr. Stromberg, do not leave. Is he still here?

MR. GRAY. He is still here.

The CHAIRMAN. The committee will stand in recess for about 3 or 4 or 5 minutes.

(Short recess.)

The CHAIRMAN. The committee will come to order. Mr. Weisberg, will you come around?

All right, Mr. Klein. Is there anything else you want to ask?

MR. KLEIN. I have just one question: Have you ever heard of the expression "Big Mahoff"?

MR. GRAY. May I hear that myself?

MR. KLEIN. I asked Mr. Weisberg whether he had ever heard the expression "The Big Mahoff."

MR. WEISBERG. Yes.

MR. KLEIN. What does it mean to you?

MR. WEISBERG. To me "The Big Mahoff" is a fellow who was in the limelight, a fellow that is—I don't know, that is the only way I can express myself, a fellow in the limelight.

MR. KLEIN. A big shot?

Mr. WEISBERG. A big shot.

Mr. KLEIN. Have you ever heard that expression used in connection with Stromberg?

Mr. WEISBERG. Have I ever used "Big Mahoff" to Stromberg?

Mr. GRAY. Not to Stromberg, but about Stromberg.

Mr. WEISBERG. I don't recall if I did, Mr. Klein.

Mr. KLEIN. You know, do you not, that up in Philadelphia they call Mr. Stromberg "The Big Mahoff"?

Mr. WEISBERG. Do I? No, sir; I don't know.

Mr. KLEIN. Don't the boys call him "The Big Mahoff"?

Mr. WEISBERG. No.

Mr. KLEIN. Not to your knowledge?

Mr. WEISBERG. Not to my knowledge.

Mr. KLEIN. That is all I have.

The CHAIRMAN. Now, Mr. Gray, Mr. Weisberg has that piece of paper with a number on it about how he is getting along this year. We would like very much to have that, or a photostatic copy of it; also the one he had last year. Do you have the one you had last year?

Mr. WEISBERG. No, I destroyed it.

The CHAIRMAN. You mean when you make up your income tax you just tear it up?

Mr. WEISBERG. Yes, sir; and start again the beginning of the year.

The CHAIRMAN. Then, there is no record at all. You have the current one; do you not?

Mr. WEISBERG. Yes, sir; I have it at home.

The CHAIRMAN. Would you have any objection to turning it over to your lawyer to have a copy of it made, to send to us?

Mr. GRAY. Before that is answered, Senator, I want to say this: I don't know whether it was clearly understood—as a matter of fact, I was not certain what he meant when he said he had one figure or one number, and I have inquired of him, and if you want him to put it in detail on the record, he takes his figure of what he may have won up to date, and what he may have won tomorrow, if he wins, and then he adds that, and then he has a loss, and he subtracts it; he goes down the line and keeps it that way, and if the committee clearly understood that, that is all that is necessary.

The CHAIRMAN. Yes; I understand that.

Mr. GRAY. Now, I am going to say to this committee that while technically I believe that he might decline to do what the committee has suggested to him because of the protection he may have that would be involved in income tax. I am going to advise him to bring that paper to me, and I am going, if you will allow me to do so, to submit it to the committee.

The CHAIRMAN. All right.

Mr. GRAY, you will send it to us, either that or a photostat of it, as quickly as you can get it. I would just like to see how he keeps his books.

Mr. GRAY. I imagine that they are not books, sir.

The CHAIRMAN. Well, anyway his figures.

Mr. GRAY. In the general sense of the word "books." They are not books in the sense that an accountant, I suppose, would call them books.

The CHAIRMAN. There is one question that you did not answer, and it has not been asked of you, I do not believe, and that is: Did you ever own any part of the Maryland Athletic Club?

Mr. GRAY. It was not asked.

Mr. WEISBERG. No, sir.

The CHAIRMAN. Now, Mr. Weisberg, you have testified before that you had drinks from time to time with certain officers of the Philadelphia police force, on some occasions you would have a great many drinks with them, and that you usually bought the drinks; maybe it would be six or seven hanging around the Locust Cafe. Is that correct?

Mr. WEISBERG. Yes, sir.

The CHAIRMAN. How did you happen to buy them drinks?

Mr. WEISBERG. Well, if I go in and have my dinner. Senator, and if I would meet them in there, then I would send them a drink.

The CHAIRMAN. The Locust Cafe is located at forty-fifth and Locust Street; is it not?

Mr. WEISBERG. Yes, sir.

The CHAIRMAN. It is owned by George Nathans; is that correct?

Mr. WEISBERG. Yes, sir.

The CHAIRMAN. Here is Hackett that you spoke of; is that correct?

Mr. WEISBERG. Yes, sir.

The CHAIRMAN. And DeYoung?

Mr. WEISBERG. Yes, sir.

The CHAIRMAN. You spoke of?

Mr. WEISBERG. Yes, sir.

The CHAIRMAN. You were not in very good standing in the city of Philadelphia. How did you happen to purchase them drinks?

Mr. WEISBERG. Senator, other than Richardson and Detective Foley, it seemed like no one else would bother me.

The CHAIRMAN. That is the place where a great many cops sort of hang out?

Mr. WEISBERG. Every time I went in there I saw quite a few; yes, sir.

The CHAIRMAN. And one name, Lieutenant Mays. Is he the one that is not on the force now any more?

Mr. WEISBERG. No, Clark is not on the force.

Mr. GRAY. May I suggest to the committee that Lieutenant Mays is a lieutenant of police—

Mr. WEISBERG. Detective.

Mr. GRAY. He was a lieutenant of police; Mr. Clark was in the detective department.

The CHAIRMAN. Weren't you known at that time as somewhat of a police character in the city?

Mr. WEISBERG. Well, Senator, I am not going to plead that I was not; I have not a police—I was arrested; however, never was sent to prison.

The CHAIRMAN. Well, you were known as a gambler?

Mr. WEISBERG. Pardon?

The CHAIRMAN. You were known as a gambler; were you not?

Mr. WEISBERG. Yes.

The CHAIRMAN. That is the way you have made your principal living?

Mr. WEISBERG. That is right, sir.

Mr. RICE. While you are talking about Lieutenant Mays, did you ever transact any business with him?

Mr. WEISBERG. No, sir.

Mr. RICE. Did you ever join in any joint enterprise with him?

Mr. WEISBERG. No, sir.

Mr. RICE. Did you ever invest any money in any business with him?

Mr. WEISBERG. No, sir.

Mr. RICE. I have a report here which said that you invested \$3,200 in a business deal with Mays. No, I am sorry; I am mistaken, it is Ryan. With Ryan?

Mr. WEISBERG. Never.

Mr. RICE. You know Jimmie Ryan?

Mr. WEISBERG. Yes, sir.

Mr. RICE. Captain of police?

Mr. WEISBERG. He was.

Mr. RICE. He was?

Mr. WEISBERG. Yes.

Mr. RICE. Did you have any transactions with him?

Mr. WEISBERG. No, sir; none whatsoever.

Mr. GRAY. It has been many years since he was on the force.

Mr. RICE. How many years since he was on the force?

Mr. GRAY. Fifteen years or so.

Mr. WEISBERG. Fifteen years.

Mr. RICE. Did you ever have any transaction with Mr. Ryan?

Mr. WEISBERG. No, sir.

Mr. RICE. Did you ever have any transaction with—was it Ellis Craig?

Mr. WEISBERG. No, sir.

Mr. RICE. Or Craig Ellis?

Mr. WEISBERG. I hardly knew the gentleman.

Mr. GRAY. Craig Ellis is the gentleman.

Mr. RICE. What happened to him?

Mr. WEISBERG. He committed suicide.

Mr. RICE. How long ago?

Mr. WEISBERG. I guess 4 months ago.

Mr. RICE. Now, then, did you ever invest any money in a business deal in which Ryan was also involved?

Mr. WEISBERG. No, sir.

Mr. RICE. You are sure about that?

Mr. WEISBERG. Positive.

Mr. RICE. How about Hackett and DeYoung; were you ever in any business transaction with Hackett or DeYoung?

Mr. WEISBERG. No, sir.

The CHAIRMAN. All right. Is there anything else?

Mr. KLEIN. You know Lieutenant DeYoung; do you not?

Mr. WEISBERG. Yes, sir; Sergeant DeYoung.

Mr. KLEIN. Sergeant DeYoung?

Mr. WEISBERG. Yes, sir.

Mr. KLEIN. Did you ever have any discussion with Sergeant DeYoung about a fur coat for his wife?

Mr. WEISBERG. About what?

Mr. KLEIN. About a fur coat for his wife.

Mr. WEISBERG. If I did, maybe when I was drinking; I don't remember it.

Mr. KLEIN. Well, after you finished drinking, didn't you tell DeYoung that when he wanted a fur coat for his wife you said that you

could get it for him wholesale through your brother Sam, who was in the fur business in New York?

Mr. WEISBERG. My brother Sam was not in the fur business. My brother Sam, through a store in Wilmington, could buy coats wholesale.

Mr. KLEIN. Is it possible that one time or another you helped DeYoung get a coat for his wife?

Mr. WEISBERG. No, sir.

Mr. KLEIN. You remember back in September 1946? Are you now sure that you never helped DeYoung get a coat for his wife through your brother Sam?

Mr. WEISBERG. I can't remember that, unless my brother done it.

Mr. KLEIN. Is it possible?

Mr. WEISBERG. I don't know.

The CHAIRMAN. Unless he knows—

Mr. WEISBERG. I don't know.

The CHAIRMAN. All right. Is there anything else? Do you want to ask him any questions, Mr. Counsel?

Mr. GRAY. No, sir; especially because of the fact that it is nearly 20 minutes to 5, and if the committee gets through with him, I will make the 5 o'clock, and if not, I will make the 6. I do not mean by that that I want the committee to hasten.

The CHAIRMAN. Then, that is all for the time being, Mr. Weisberg.

Mr. GRAY. He will consider himself under subpoena.

Mr. WEISBERG. Thank you.

The CHAIRMAN. We are expecting you to send that—

Mr. GRAY. I understand, sir; I have a note of it.

The CHAIRMAN. I think that in order that his testimony will make sense, we will make public also his testimony in executive session, when we have copies enough to go around, and I will make the same recommendation to the whole committee regarding Mr. Stromberg.

Mr. GRAY. I might say, off the record, that I went over this testimony very carefully and told them what the law would be, and that they ought to answer the questions, and they followed my advice.

The CHAIRMAN. Is there anything else this afternoon, gentlemen?

We will have a brief session tomorrow afternoon at 2 o'clock, at which time Mr. Edward O'Hara, who has some connection with—the general manager of the Bowie race track, will testify.

Before we recess the meeting, Mr. Groemping of the State Department is here with several visitors from the Republic of Germany, trade-unionists, and they are here under the exchange program.

We want to note their presence and to say that we are glad to have them with the committee this afternoon. I want them to know that the story about gamblers and their activities that we have heard here this afternoon is not characteristic, of course, of the great American people. We try to find out about these things in order that we can pass legislation to put as many blocks as we can in the interstate operations of what they may be doing.

The Chair will look forward to the privilege of meeting our visitors after the committee has been adjourned.

If there is nothing else, the committee will stand in recess until 2 o'clock tomorrow afternoon in this committee room.

(Whereupon, at 4:45 p. m., the special committee adjourned, to reconvene at 2 p. m., Tuesday, February 20, 1951.)

INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

TUESDAY, FEBRUARY 20, 1951

UNITED STATES SENATE,
SPECIAL COMMITTEE TO INVESTIGATE
ORGANIZED CRIME IN INTERSTATE COMMERCE,
Washington, D. C.

The committee met, pursuant to adjournment, at 2 p. m., in room G-16, United States Capitol Building, Senator Estes Kefauver (chairman) presiding.

Present: Senators Kefauver and Tobey.

Also present: Downey Rice, associate counsel; John L. Burling, associate counsel; and Joseph L. Nellis, assistant counsel.

(The testimony of Lawrence Edmund O'Hara, heard by the committee at this time, is included in part 12 of the hearings of the committee.)

The CHAIRMAN. Who is your next witness?

Mr. RICE. Mr. Richardson.

The CHAIRMAN. Come around, Mr. Richardson. Will you raise your right hand and be sworn, please.

Do you solemnly swear the testimony you will give this committee is the whole truth and nothing but the truth, so help you God?

Mr. RICHARDSON. I do.

FURTHER TESTIMONY OF GEORGE RICHARDSON, ASSISTANT SUPERINTENDENT OF POLICE, PHILADELPHIA, PA.

The CHAIRMAN. Chief Richardson is here. I am glad he came down. I told the court reporter and the staff to immediately send you a transcript of the testimony that was had here yesterday. We like for anybody as quickly as possible to have an opportunity to make any explanations or say anything they want about it. We are glad you came down.

Mr. RICHARDSON. I came down about 5 minutes after I received the telegram.

The CHAIRMAN. You came down about 5 minutes after you received the telegram?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. You had an opportunity of knowing what Stromberg said yesterday?

Mr. RICHARDSON. Yes, I read the newspapers.

The CHAIRMAN. All right, Mr. Rice. Did you get a copy of the testimony, the transcript?

Mr. RICHARDSON. Only the telegram, I got a telegram stating that Stromberg—

Mr. RICE. I am familiar with the telegram. That is all you have?

Mr. RICHARDSON. That is right, and what I saw in the newspapers in Philadelphia.

The CHAIRMAN. Well, suppose you go over the statements the witness Stromberg made and then he will be informed as to what it was.

Mr. RICE. Do you know Nig Rosen, alias Stromberg?

Mr. RICHARDSON. I do.

Mr. RICE. He was here yesterday and testified under oath, and this is the questioning, I will read it to you. Mr. Klein is examining Stromberg and says:

You testified here today that you were in business but you didn't pay off anybody, you didn't have any protection that you knew of. Yet, at the hearings in October, you testified that you were friendly with the present Assistant Superintendent of Police, Mr. Richardson, George Richardson.

Mr. STROMBERG. I was.

Mr. KLEIN. When did you first become friendly with Mr. Richardson?

Mr. STROMBERG. That is quite a number of years ago. I wouldn't remember—maybe 15 years ago, 16 years ago.

Mr. KLEIN. How did you meet him?

Mr. STROMBERG. I was introduced to him; that is all.

Mr. KLEIN. By whom?

Mr. STROMBERG. I don't remember.

Mr. KLEIN. At that time, 1935, you were operating in the numbers business?

Mr. STROMBERG. I presume I was.

Now, then, is there anything you want to say about how you met Rosen that is different from that, or that you wish to say? You understand that our purpose is to give you a chance to talk about it.

The CHAIRMAN. Well, suppose we let Chief Richardson make any statement that he wants to, and then we can come back to the specific questions.

Mr. RICE. He might want to make a note or two.

Mr. RICHARDSON. I can tell you just from my memory any connection I ever had with Rosen or Stromberg.

The CHAIRMAN. Just tell us about it.

Mr. RICHARDSON. In the early thirties, I would say, maybe 1929 or 1930, I am not sure of the year, my partner and I detected James Ryan, a fellow in the tenderloin, which is located in the vicinity of Eighth and Vine. Then there is a place called Connie's Restaurant. That is a restaurant there where all the tenderloin habitués hung out. We seen this stranger here and we seen Rosen, this stranger in this restaurant, and we went in and pulled him out and questioned him and asked him where he had come from. We asked him what he was doing in Philadelphia; he said he came from New York. We asked him if he was ever arrested and he said "Yes."

We asked him what he was doing here and he said that he was here on some kind of business. I can't just recall what it was. However, that was the first time we ever seen Nig Rosen.

We later inquired about him and found out that he was an ex-convict from New York, sentenced for 2½ years for burglary in New York.

Around 1930 there was a series of killings in Philadelphia, and as a result of a mob organized by Nig Rosen.

Mr. RICE. Who were some of the members of that mob?

Mr. RICHARDSON. That was killed?

Mr. RICE. No; the members of the mob that was organized by Nig.

Mr. RICHARDSON. Nig Rosen?

Mr. RICE. Yes.

Mr. RICHARDSON. Yes; I will tell you. Herman Chrissy—

Mr. RICE. "Little" Chrissy?

Mr. RICHARDSON. That is right. Willy Weisberg, Tony Narciss, a fellow by the name of Scale, another fellow by the name of Sam Grossman, Johnny Murphy, alias Raymond Boyne, Moe Newman, Jeff Newman, and Jack Newman, three brothers, one doing life in St. Paul for murder, and he is also wanted in New Jersey for the killing of a prohibition agent.

Mr. RICE. How about Cappy?

Mr. RICHARDSON. Cappy Hoffman was a killer, too, he was arrested in Atlantic City for two murders, and he was arrested with the gun he committed them with.

The CHAIRMAN. Wasn't he arrested with Herman Taylor?

Mr. RICHARDSON. Yes; and Doc Cooch, with the gun on him—he shot Doc Cooch in the foot with it in the killing of Jerry Daniels, the gambler, who muscled in at Atlantic City. Herman Taylor is associated with Nig Rosen in gambling here in Washington, D. C., at the Maryland Sporting Club.

Mr. RICE. Herman Taylor is a boxing promoter?

Mr. RICHARDSON. Yes.

Mr. RICE. It was the Maryland Athletic Club, Fontaine.

Mr. RICHARDSON. That is right. It was managed by Whitey Price, of Philadelphia, who represented Taylor, and Jimmy LaFontaine were the three partners.

Mr. RICE. How did they get into LaFontaine's place?

Mr. RICHARDSON. I told the committee and I will tell you again—in 1934, I believe it was, or maybe in 1933, there was a couple of killings here in Washington. One was an innocent newspaperman, I understand, and the Washington police sent the name and description of the man suspected in that crime to Philadelphia.

Mr. RICE. You say this was an innocent newspaperman?

Mr. RICHARDSON. That is what I believe. I am just trying to acquaint you with the facts.

Mr. RICE. You mean it was a case of mistaken identity, wasn't it? It was a mistaken-identity killing?

Mr. RICHARDSON. Yes.

The CHAIRMAN. What Mr. Rice means is that that adjective goes with all newspaper men and women.

Mr. RICHARDSON. I believe the killing was meant for a man who was a partner in the gambling joint.

Mr. RICE. In any event it was a mistaken-identity killing, wasn't it?

Mr. RICHARDSON. Yes. As a result of the information our department received from the Washington police, there was a man by the name of Sammy Harris, a gangster in Philadelphia. He was sent to Washington here and he was convicted of first-degree murder and sentenced to the electric chair, and I believe he received about 9, 10, 11, or 12 reprieves, and was finally sentenced to life imprisonment. Whether he is here in prison now or not, I don't know.

But later on the same car that Harris operated in this killing was sold to someone out West, someone on a farm, I don't know whether it was out West or close by here, but in that car was a trap, and the gun that was used in that killing was found by the owner of the car, the man that bought that car.

Mr. RICE. All right, sir. Do you know how the mob got into the Athletic Club?

Mr. RICHARDSON. Yes.

Mr. RICE. Was there a kidnapping or something?

Mr. RICHARDSON. Yes; there was a snatch, LaFontaine, Jimmy LaFontaine.

Mr. RICE. What is the story on that?

Mr. RICHARDSON. I don't know. I know that they kept him tied in bed, they wouldn't even let him out of bed to go to the toilet.

Mr. RICE. Who grabbed him?

Mr. RICHARDSON. I cannot tell you who grabbed him, but the two partners that moved in with Mr. LaFontaine should know more about that than I do.

Mr. RICE. Who are they?

Mr. RICHARDSON. Nig Rosen and Muggsy Taylor.

Mr. RICE. Didn't Marty Price—

Mr. RICHARDSON. No; he is the manager.

The CHAIRMAN. I think at this point it should be said, Mr. Richardson, that Rosen denied he had any financial interest in LaFontaine's business, and that the most he had to say about it was that he had gambled down there, but I think I should say that that was his testimony.

Mr. RICHARDSON. I am only giving you my police information, the knowledge I have got. I told you that I cannot prove this myself, but I am only giving you this for your own information. That is the police information I had.

The CHAIRMAN. Well, I thought I should interrupt you there to tell you what his testimony was.

Now, what police information did you have that he got in there as a partner?

Mr. RICHARDSON. What police information?

The CHAIRMAN. Yes; what led you to that conclusion?

Mr. RICHARDSON. Well, it is common knowledge around Philadelphia that Rosen and Taylor had part of the crap game here.

The CHAIRMAN. Taylor did say he worked down there. I think he had as high as \$20,000 a year. I don't remember whether he said he had any interest in it or not, but he did work there. That is what he testified to in Philadelphia.

Mr. RICHARDSON. I recall, Senator, from what I read he had said.

The CHAIRMAN. All right, excuse me. I did not mean to interrupt you.

Mr. RICHARDSON. Now, this Frankie Carbo he told you was his partner in Jersey City, he was around Philadelphia, and we sent him back to New York for a murder, and I believe he was sentenced to around 3, 4, or 5 years, I wouldn't know just how many years he got, but he got a sentence. Whether he pleaded guilty or not, I don't know.

Mr. RICE. Did Nig Rosen have some brothers?

Mr. RICHARDSON. Yes; he has got a brother by the name of Nucci. He is a little fellow.

He has another brother named Dan, and another fellow just got sentenced for killing a gambler up in Pottsville and got 6 to 12 years. He was found guilty of second-degree murder.

Mr. RICE. Which one was he, do you know?

Mr. RICHARDSON. If I heard his name I could give it.

Mr. RICE. Wasn't he the fellow who was mixed up in this Warring hold-up in Washington?

Mr. RICHARDSON. That is right.

Mr. RICE. What is the story on that?

Mr. RICHARDSON. There was supposed to be a \$200,000 take here, and we had received information before that he was one of the suspects..

Mr. RICE. He was one of the suspects?

Mr. RICHARDSON. Yes; here in the hold-up, they were supposed to take \$200,000 off the man that was held up. I don't know how the information came to me, but I did not get it through police channels. I got it through——

Mr. RICE. Through informers?

Mr. RICHARDSON. Well, by a former partner, he told me about the hoist down in Washington, where a fellow was taken for 200 G's.

Mr. RICE. That was when they came in pretending to deliver a basket of fruit?

Mr. RICHARDSON. That is right. That is how they operate to get in, if they don't get in somehow, they come around and kill you. They machine gun you. That is the operation we had around the early thirties, they would come along with a machine gun, and at Franklin and Race Street they killed an innocent man, a milkman coming out of the Bijou Theater on his afternoon off.

The CHAIRMAN. Who are these people you are talking about?

Mr. RICHARDSON. Nig Rosen, how they got in. You are asking me to name some of them. Now, I had been appointed as inspector of detectives in 1940, and one of my first duties, the first week I took over, was to call a special roll call, and I laid down a policy that these men were not to be permitted the freedom of the streets or night clubs or any sporting event or anywhere they were seen, they were supposed to be stood up and given rough treatment and put on their way.

Mr. RICE. That was called "rausing" them?

Mr. RICHARDSON. That is right, and we still have the policy, and they have not been around, only since the grand jury, they never showed around any place, or any place of interest.

Mr. RICE. You don't mean that they were given a license to go there? They were under subpoena?

Mr. RICHARDSON. That is right. You would see them in a restaurant, and they would pull the subpoena out of their pocket and they would tell us, "That is our permit to stay here." Before that they were never around.

The CHAIRMAN. Well, in fairness to the committee, we were only there 2 or 3 days.

Mr. RICHARDSON. The grand jury followed you up with subpoenas for them people, and that policy has been in effect for 10 years, since I have been there, and I think any investigation you make, you won't find any of those stiffs around Philadelphia. And that goes for Chrissy or anybody that lived there. Even they weren't allowed the freedom of the street, anybody that was a gunman or a gangster.

Mr. RICE. How about Reginelli?

Mr. RICHARDSON. He lives in Camden. He never had the freedom any time he was there. He was taken care of.

Mr. RICE. All right. During the testimony yesterday Rosen testified that he made a present to you of some tailor-made shirts that were bought at Sulka's in New York, and some neckties. What do you have to say about that?

Mr. RICHARDSON. I see where he says that it was all these things took effect in 1939 and 1941. Now in fairness to Rosen, and the stooge Weisberg, I have not seen either one of those two men since 1935. I don't think I've seen Weisberg before that. Weisberg never even said hello to me or never even answered me or I never even questioned Weisberg, and I don't think Rosen has ever spoken to me, only the time I brought him back from New York.

Now previous to New York, previous to 1935 they had a bank just outside of Philadelphia in Delaware County.

Mr. RICE. What do you mean by "a bank"?

Mr. RICHARDSON. A numbers bank which they called the edge off. The edge off is this, just as this man was saying about the horses; that a number is bet with a dollar, \$2, \$3, \$4, anything above a dollar, the banker takes the edge off, takes it off, takes all the big bets.

Mr. RICE. Sometimes called a lay-off?

Mr. RICHARDSON. That is right. Now they had a bank just across the street from police headquarters. I would say that would be about a mile and a half outside of Philadelphia.

Mr. RICE. Out of your jurisdiction?

Mr. RICHARDSON. That is right. Now in 1934, I believe it was, they were doing a \$27,000-a-day business. We raided that bank, my partner and I with John Mahaffey, former lieutenant of the vice squad. I believe we arrested seven prisoners. We confiscated two large baskets of numbers, I guess you would call them wash baskets of numbers slips, confiscated several adding machines, and took them to police headquarters. They were held for court and they were all convicted, pleaded guilty, and convicted and sentenced.

Now as a result of that, their arrest and the numbers probe of lawyers, collusion of lawyers and the numbers racket, Nick Rosen was named by one of the operators of this numbers bank as being the head of it, and the district attorney's office issued a warrant for Nick Rosen. From information we supplied to Lt. Walter Sullivan, of the New York Police Department, he apprehended Nig Rosen and we went over, attended these hearings and brought him back to Philadelphia for trial.

Now, these people here, if they were permitted in Philadelphia like any other city, they would be probably taking a couple of million dollars a year away from the citizens of Philadelphia.

Mr. RICE. We were talking about the shirts.

Mr. RICHARDSON. Shirts? That bum couldn't get near me, let alone give me any shirts. He never gave me anything. He was never permitted to talk to me, only when I was standing him up.

Now, that is the last time I seen him. He got out on bail. He had appendicitis. That's the thing that saved him from being off his feet. He pleaded appendicitis, and that's the last time I ever talked to him. It was at a fight in New York, or in Philadelphia at Shibe Park. Now, I never seen him anywhere in Philadelphia or New York after that.

Ever since 1940 or even when I was a detective, I always gave them

a rough time, the whole mob of them, never permitted them at any fights. Any time I ever seen them anywhere, they were given a rough time.

Mr. RICE. Now there was some testimony to this effect:

Senator TOBEY. Did you think you might curry a little favor by giving a dozen shirts to him, so he would favor some of these clubs you were connected with?

Mr. STROMBERG. No; he never did anything for me.

The CHAIRMAN. All right, go ahead, Mr. Klein.

Mr. KLEIN. Did you ever give him anything else?

Mr. STROMBERG. Yes; I think I bought him a clock for his place.

Mr. GRAY. What?

Mr. STROMBERG. A clock for his home.

Mr. KLEIN. What kind of a clock?

Mr. STROMBERG. Ordinary living room clock.

Mr. KLEIN. You spent \$150 on that, didn't you?

Mr. STROMBERG. That is right.

Mr. RICHARDSON. Well, he couldn't get near me even with a million dollars. He had a rough time with me no matter where he went. I cooperated with the police in any city at all wherever they were sticking their nose in, I give the police the fullest cooperation, the Government and the police.

The CHAIRMAN. Well, then you unequivocally deny that he ever gave you—

Mr. RICHARDSON. I absolutely do, and he had an opportunity when Mugsy Taylor was suing me here in 1944 for \$50,000.

The CHAIRMAN. Mugsy was suing you?

Mr. RICHARDSON. Yes; he was. I subpoenaed the whole mob, subpoenaed everybody who was connected with it, and the police of Washington to show what Mugsy Taylor did for a living, and he come in out of the courtroom and he went on a rampage. He got the rams and went in the Pennsylvania Hospital with typhoid fever, and the first day he's in the hospital he makes 20 phone calls. Did you ever hear of a guy with typhoid fever making that many phone calls, calling all these friends up?

The CHAIRMAN. What was he calling them about?

Mr. RICHARDSON. That is what I would like to know. To tell them he had typhoid fever, I guess. He sent people to me to pull off for him the suit. He was suing me to straighten himself out.

The CHAIRMAN. What was he suing you for?

Mr. RICHARDSON. \$50,000. He said I insulted his religion and he walked into court, sent his lawyer into court. He wouldn't come into court.

The CHAIRMAN. Said what?

Mr. RICHARDSON. I insulted his religion. He went to the mayor of Philadelphia. He got Walter Annenberg, the mayor of Philadelphia, he and Leon Rings, the boxing commissioner. They were having trouble with gamblers at the fights.

Just previous to that, the summer previous to that, Judge Landis had me assigned to the ball parks to clean the condition up in the ball parks, which I did, and as a result of that they asked the mayor to detail me out at the Boxing Club to clean the condition up at the Boxing Club because all the gamblers were hollering every fight was a fake. "Hang Taylor and throw Rings out. They are a couple of fakers."

He come in my office and cried real tears for me to come out and clean out the joint, which I did, and then they go down to Broad and

Locust and there he's hugging Blinky Palermo, and that's where him and I had an argument. Then he ran to the telephone and got a lawyer, and the next day I was sued for \$50,000 because I told him who his associates were.

The CHAIRMAN. I guess you did sort of talk a little rough with him, did you not?

Mr. RICHARDSON. I always did. I've got no time for him, never did have any time for him, and never will. If I don't have a badge 5 minutes I will still chase those bums.

Mr. RICE. What was the story of Mugsy, Al Capone, and Willie Weisberg getting out of jail?

Mr. RICHARDSON. Willie Weisberg was a chauffeur then for Mugsy Taylor. Mugsy Taylor had him put in the hospital through a Dr. Goddard, one of the trustees, and a doctor at the Eastern State Penitentiary.

The CHAIRMAN. He had who put in the hospital?

Mr. RICHARDSON. Al Capone, got him a job in the hospital or he was in there supposed to have a pain in the neck or something.

Mr. RICE. Capone was arrested when he was put in there, was he not?

Mr. RICHARDSON. That is right, he was arrested for carrying a gun, and he got a year in jail, and he was supposed to be released from the Eastern State Penitentiary, but instead walked into a lot of notoriety, I guess. He was released by agreement, and Willie Weisberg picked him up there and drove him to Mugsy Taylor's house, 544 South Forty-ninth Street, I believe. That is where he was living then.

The CHAIRMAN. How do you know that, Chief Richardson? He said he did not do it. Of course, I know that his record does not entitle him to a lot of belief.

Mr. RICHARDSON. Whose record are you speaking about, Senator?

The CHAIRMAN. Weisberg. Weisberg was asked about that. He said he never drove him any place.

Mr. RICHARDSON. I am giving you what information I got, Senator. I wasn't there to see it. I got it from reliable people, reliable sources close to Mugsy Taylor. He spent the night at Mugsy Taylor's home and then was driven to Chicago by the chauffeur, Willie Weisberg.

The CHAIRMAN. Willie Weisberg drove him all the way to Chicago, according to your information?

Mr. RICHARDSON. That is the information. Now maybe there were one or two alternates. I wouldn't know.

The CHAIRMAN. Well, Weisberg, for your information, I believe he said he never had seen Al Capone. I think that is what he said.

Mr. RICHARDSON. I am only giving you the information. I wasn't there. I am giving you the information that I have.

The CHAIRMAN. You were not here, unfortunately, and you should have been here.

Mr. RICHARDSON. I would have been glad to be anywhere that those two stiff were.

The CHAIRMAN. But I just wanted to tell you what he said.

Mr. RICHARDSON. I would be here any hour of the day or night, and I don't think either one of them would stay around within a block of me if I was here, unless they had protection of the committee.

The CHAIRMAN. What did you do to him? Would they be afraid?

MR. RICHARDSON. Afraid? They are two of the yellowest curs you ever laid your eyes on. You threaten to punch that big bum in the nose, he'd lay on the floor.

THE CHAIRMAN. Is that the way most of these—

MR. RICHARDSON. That is the way they all are; yes. I have been chasing them for years, Senator, and I intend to chase them more.

THE CHAIRMAN. You mean they are not so tough when you really get after them?

MR. RICHARDSON. They are a dog, a very yellow dog. A smack in the nose and you will see the biggest change in the world in those bums.

THE CHAIRMAN. Did you ever slap Rosen in the mouth?

MR. RICHARDSON. Did I ever slap him? Twice, he'd fall on the floor if you took a punch at him. I went to punch him at the ball park that night, he bundled over. They had to get a committee to get him to go under an operation for appendicitis in prison. He had to get a selection of doctors off a big board in the Philadelphia General Hospital for an operation. That's how scared he was to get operated on. If he got his nose bloodied, he'd run. You don't know this scum. I know them.

THE CHAIRMAN. Well, I am getting better acquainted with them.

MR. RICHARDSON. They are a lot of crumbs, Senator. Just imagine, there is a man that was killed here in Washington, had a family. Just by the grace of God that a good witness saw it, or they would have got away with it. There's two of the mob, Grossman and Scalley they killed in 1938. They were pinched right on the scene of the crime, had no witnesses against them. One guy, getting in the way, stuck up a painter, took his ladder, his hat and his coat off him so he could get out of the door. When we went to get the painter to identify him when we pinched him, the painter was scared to death. He is afraid of getting killed. That is the type of people I am chasing out of Philadelphia, and I keep out of Philadelphia. There is nobody putting the bite on anybody in Philadelphia while I am around there.

THE CHAIRMAN. Go ahead, Mr. Rice.

MR. RICE. There was some question about whether a package of \$500 was ever turned over to you at Shibe Park.

MR. RICHARDSON. Well, I see where he denied it. He never gave me anything. He ain't told anybody he ever give me any money. He only told you he give me a couple of shirts, neckties, and a clock. Did he send any fruit to me or anything? I see where he entertained me in night clubs. I never go to night clubs. I could go to night clubs every night. I could be a guest every night. Why should I get a bum like him? All I take is two or three bottles of beer. Why do I need a bum like him to take me to a night club?

MR. RICE. Stromberg said, "I think I took him to Billy Rose's Horseshoe."

MR. RICHARDSON. Why, that stiff; I never seen Billy Rose's Horseshoe. He would tell you anything. Why shouldn't he tell you anything? He is without a reputation, he's not even got a character. He'd tell you anything.

I am stopping them guys from taking millions of dollars off of people around Philadelphia. Yes; they would manufacture anything for me. Mugsy Taylor and them, they had witnesses. Why didn't they go into court on the suit? They run out. They were represented

by an able attorney, a guy that run for governor, Richardson Dilworth. He went into court, withdrew the suit. They said they had no case. I didn't withdraw any suit. I didn't get scared like Taylor did.

The CHAIRMAN. Well, how do you think he ever thought up the matter about a clock? I mean that seems to be an unusual thing to pick out.

Mr. RICHARDSON. I don't know, Senator. I never got no clock off him.

The CHAIRMAN. Did you ever get a clock from anybody?

Mr. RICHARDSON. Oh, yes; I got a clock at home. The clock I got on my mantelpiece now I got from friends of mine.

The CHAIRMAN. Maybe he gave it to somebody else and they gave it to you.

Mr. RICHARDSON. No; nobody ever give me a clock from him.

The CHAIRMAN. How do you figure he ever thought that one up?

Mr. RICHARDSON. He is liable to think anything. He is a desperate man, Senator. He is getting chased around the country. Wherever he goes, I tell them who he is and what he does. He would probably scheme up anything to get a crack at me.

The CHAIRMAN. You think he is just trying to embarrass you?

Mr. RICHARDSON. Embarrass me? If he would have said it maybe years ago when I was a detective. He tells you in 1939, '41.

The CHAIRMAN. I must say frankly that that looks like what he is trying to do.

Mr. RICHARDSON. I will stand up against him anywhere or against anybody. Everybody around Philadelphia knows I've been giving him a tough time; giving the whole mob a tough time. Any police official, any Government official will tell you that I don't allow them around there.

The CHAIRMAN. He said he came in when he wanted to.

Mr. RICHARDSON. He come in when he wanted to?

The CHAIRMAN. Yes; that you never bothered him.

Mr. RICHARDSON. Then why would he ask permission, send somebody to me to get permission to go see one of his friends laid out, if he come in and went out whenever he wanted to? People don't ask for those kind of things.

The CHAIRMAN. What is that about? I did not know about it.

Mr. RICHARDSON. Slim Downey, one of the guys he says was his partner with Tommy Leonard, Tommy Leonard used to run his business for him. He hasn't been seen nor heard of since. He's been buried in concrete or something. Nobody ever heard of Tommy Leonard ever since that investigation. He knew too much. He hasn't been around.

We made every effort, notified every police department in the country to try and arrest Tommy Leonard. Never heard tell of him. Nobody ever heard tell of him.

The CHAIRMAN. You mean Tommy Leonard, Nick Rosen, and his partner disappeared?

Mr. RICHARDSON. That is right. The district attorney has tried in every effort trying to locate him, and the police department at Philadelphia; never been heard tell of since.

The CHAIRMAN. How long has that been they have been looking for him?

Mr. RICHARDSON. Well, I would say since 1934 and 1935.

The CHAIRMAN. So your theory is he got laid out somewhere?

Mr. RICHARDSON. That is right.

The CHAIRMAN. What was it he asked your permission to do? To come in?

Mr. RICHARDSON. Slim Downey died of consumption. That is one of the men he says was a partner, but he wasn't a partner of Nick Rosen. He was just one of the lieutenants.

The CHAIRMAN. Did Nick have a pretty big business in Philadelphia at one time?

Mr. RICHARDSON. I just told you \$27,000 a day he had in Philadelphia in 1934. We raided the bank.

The CHAIRMAN. In 1944?

Mr. RICHARDSON. 1934. I haven't seen the man since we brought him back from New York, and he hasn't seen me, and neither has Willie Weisberg.

The CHAIRMAN. Let's get these things about these—

Mr. RICE. I think by name the only place mentioned was Billy Rose's Horseshoe, and I think we have Mr. Richardson's answer very emphatically on that.

The CHAIRMAN. I think he said three or four times you came to New York.

Mr. RICHARDSON. No. I took my son to the football game, Army and Michigan, here just while your committee was in session in Philadelphia.

The CHAIRMAN. I am not talking about that. I am talking about what Rosen said.

Mr. RICHARDSON. Yes, I understand he said he took me to boxing.

Mr. RICE (reading):

Isn't it a fact that you have taken Richardson to prize fights?

Mr. STROMBERG. Well, probably.

Mr. KLEIN. How many times, Mr. Stromberg?

Mr. STROMBERG. Several times.

Mr. KLEIN. Give us—

Mr. STROMBERG. Three, four times, five times.

Then they go on talking about going to dinner. Mr. Klein said, "You have done a lot of entertaining."

Mr. RICHARDSON. No; he never was in my presence anywhere outside of bringing him back from New York, and that is the last time I saw him outside of the ball park when he was under bail for trial up there as a fugitive, and the head man of the numbers.

Mr. RICE. Mr. Klein said:

You mean these were just chance meetings, when you took him to the theater?

Mr. STROMBERG. Most of them.

Mr. KLEIN. And chance meetings when you took him to the prize fights?

Mr. STROMBERG. No; not at all the times.

Mr. KLEIN. Chance meetings when you took him to night clubs?

Mr. STROMBERG. Not all the time.

Mr. KLEIN. Weren't they all prearranged meetings?

Mr. STROMBERG. No; they weren't all prearranged.

Mr. KLEIN. How many were?

Mr. STROMBERG. Probably maybe two or three.

Mr. RICHARDSON. How does that sound to you, Mr. Rice? You are a man with good knowledge. How does that sound to you? That sounds ridiculous; don't it? Did you ever hear of anybody inviting a guy to a fight without previously making the arrangements? Did

you ever hear of any guy taking you to the theater without even making a date with you or something? That sounds like the guy got that one from under the table.

MR. RICE. I would make this observation: that if being emphatic about it means anything, you are way out in front.

MR. RICHARDSON. I cooperated with everybody. I am trying to do a good job around Philadelphia, and those bums couldn't get in here anyhow. They've tried every way. They have sent people and done things, couldn't get near.

That is one thing in the world that I will never bow to them stiff, and I will go a long ways to chase them. You can inquire in any police department in the country. I give them 100 percent cooperation in chasing anything like them.

MR. RICE. Now there is a fellow by the name of Yacky Zeldon.

MR. RICHARDSON. Yacky Zeldon. I know him. He is a neighborhood man up there. I know him for 20 years.

MR. RICE. What business is he in?

MR. RICHARDSON. He is in the numbers business, and he is a book-maker.

MR. RICE. Did you ever have any transactions with him regarding furniture?

MR. RICHARDSON. No. I did his brother.

MR. RICE. You did his brother?

MR. RICHARDSON. Yes.

MR. RICE. What is that about?

MR. RICHARDSON. Dave.

MR. RICE. What was the story on that furniture?

MR. RICHARDSON. Why, my son is a young doctor. He just got married. He got out of the Navy; I think around 1947 he got out of the Navy. He put 4 years 1 month in the Navy. He is a young doctor.

The first day he got out, graduated from school, he went in the Navy, got out and he bought a house at 711 Longshore Avenue in Philadelphia, a few blocks from me, and he had some little furniture and he needed others, so I told his wife to go down and pick it out at the Unity Furniture Co., Dave Zeldon, who I know for 25 years, 25 or 30 years. Dave is not in no rackets of any kind. I bought \$1,100 worth of furniture off of him, paid in cash.

MR. RICE. And that was delivered to your son?

MR. RICHARDSON. That is right. That is the only transaction that I had with him.

MR. RICE. Yacky has nothing to do with that furniture company?

MR. RICHARDSON. Not to my knowledge, no. Dave is the only man. In fact, I recommended a lot of people to get furniture there because the guy would help them out, give them a little saving.

MR. RICE. You said the furniture was how much?

MR. RICHARDSON. About \$1,100.

MR. RICE. Eleven hundred?

MR. RICHARDSON. Yes. These people here have acquainted the grand jury in Philadelphia of all that. They had an elaborate set-up that I had a big yacht, all this and that, big home on the seashore. I told the grand jury everything about the house I got down the shore. I was getting sued by Mugsy Taylor and I didn't have it in my name, and I got an outboard motor I paid 90 bucks for it, a

Johnson outboard motor. I went fishing six times in 1949 and I went four times last year.

Now I told the grand jury where I hired the rowboat for 3 bucks a day. Four of us went there to hire the rowboat from Mr. Smith at Summers Point.

The CHAIRMAN. Who was it said you had a yacht?

Mr. RICHARDSON. Well, the grand jury asked me about a big yacht I had. I told them I had a \$90 motor, a Johnson out-board motor, and we hired a rowboat for 3 bucks a day, my son and I and two of my friends, two detectives. It cost us 75 cents apiece.

Mr. RICE. There were some friends of Rosen's, I believe by the name of Davey Streetsky and Benny Glass.

Mr. RICHARDSON. Davey Glass and Benny Streetsky. I know them very well, a couple of number guys got a hotel down in Florida.

Mr. RICE. Are they Philadelphia characters?

Mr. RICHARDSON. Yes; they are.

Mr. RICE. What is their background?

Mr. RICHARDSON. They were both in the number business and bookmakers previous to going down to—they formerly had the Grand Hotel down there. They are no tough guys or anything. They are just gamblers, but I believe that is where all the mob goes down there, but I don't know anything about Davy Glass or Benny Streetsky other than they were bookmakers.

Mr. RICE. Were they run out of Philadelphia?

Mr. RICHARDSON. No; they weren't chased out of Philadelphia, but I believe they had several arrests in Philadelphia. I didn't have any charge.

Mr. RICE. They went to the Sands Hotel?

Mr. RICHARDSON. Sands Hotel; yes. They have got a beautiful place down there.

The CHAIRMAN. Chief, I did not hear all of your testimony in Philadelphia or all of the hearing up there, but we were considerably impressed by the extensiveness of the numbers racket in Philadelphia when we were up there. It seemed to be operating pretty generally. What has been done about it up there?

Mr. RICHARDSON. Up there? Well, I think they've found the right solution to it.

The CHAIRMAN. You have been taken out of that detail, have you not?

Mr. RICHARDSON. I never had the detail, only like a special request that was granted to me to go out and knock off certain banks like the director of public safety would give me a detail. He would say, "There's a joint here. Clean it out." I would go there, clean it out. The men would be convicted. Now the last time I done that was in 1947. I went on five raids.

The CHAIRMAN. Who is in charge of that detail now?

Mr. RICHARDSON. John Murphy, captain of detectives.

The CHAIRMAN. Is that the head of the vice squad?

Mr. RICHARDSON. That is the head of the vice squad now.

The CHAIRMAN. You do not have any supervision over the vice squad?

Mr. RICHARDSON. No; I don't have any supervision over it at all, only unless I was called upon by the director or superintendent of

police or the mayor to go out and make a special raid. I made five special raids in 1947 and every one was convicted.

The CHAIRMAN. I mean is something being done about the numbers racket?

Mr. RICHARDSON. Oh, yes, yes. Every number writer and every number bank now that's pinched gets a bit, and they are getting some pretty bad jolts because I believe they have got to pay their wages and keep up the rent and everything else for them while they are in prison, and I believe the judges of our county police court—

The CHAIRMAN. I know as of the time we were there, Mr. Richardson—I cannot remember the exact figures but every year maybe there would be a thousand numbers cases brought in, always small fines.

Mr. RICHARDSON. That is right, fines or probation.

The CHAIRMAN. I do not believe over a period of years we ever found where anybody had actually put in any time.

Mr. RICHARDSON. That is right; but now they are starting to give them sentences, and it is a big job in the solution of the numbers racket. It is pretty well bent now since these judges have been giving them 6 months, a year, 2 years. One of them got 2 years here the other day, one of the mob here, Happy Provan, a dope peddler and ex-convict.

The CHAIRMAN. We had some judges in and tried to encourage them to the feeling that results might be better if they did give them a little time.

Mr. RICHARDSON. That is really the answer to the whole thing. They just started giving them bits now, and these fellows can't stand it. Even the riders that get picked up, they give them 3 and 6 months. These fellows have got to pay their wages. If they get 10 and 15 pinches per week, it's a cinch to grab a guy with a book on him, if he gets 3 months and 6 months, this is a pretty bad jolt to him, and that is the condition in Philadelphia.

The judges are sending them all to prison. Very few of them are getting away with fines or getting away with any suspended sentences.

Mr. RICE. What about that operation at the Sun Hotel in Chester?

Mr. RICHARDSON. That was a joint for the mob with a crap game, a fellow by the name of Schlemper. They called him the colonel. He was one of the boss mans in 1930. He was a tower man in a whore house. He is the guy that run the joint in Chester. That was a combination of a whore house and a crap game.

Mr. RICE. Did that have anything to do with Willie Weisberg?

Mr. RICHARDSON. Yes. He is one of the mob, one of the outfit. They all get a cut out of what is taken in.

Mr. RICE. Who is Green?

Mr. RICHARDSON. That is him.

Mr. RICE. How about Doblitz, who is he?

Mr. RICHARDSON. Doblitz is a guy from Chester. I think it is the 520 Club or something like that in Chester.

Mr. RICE. Does he have connection with the Sun Hotel?

Mr. RICHARDSON. That is right. I believe he does. I can't say that for sure.

Mr. RICE. You saw where Willie Weisberg on the telephone called 16 times in one month. Who would that be?

Mr. RICHARDSON. I don't know. His wife's name is Sonetsky and his name is Weisberg. His partner is Spirack, and I believe his tele-

phone name is Spirack. Cappy Hoffman's girl had the apartment next door, which is his wife now. Whether he lives next door to Willie Weisberg, I don't know.

MR. RICE. My point was, I saw where he used that Willie Weisberg phone to call the Sun Hotel 16 times in 1 month recently. What is going on there?

MR. RICHARDSON. I wouldn't know, Counsel, because I haven't had too much to do with him. Willie Weisberg, I haven't seen him for years, and in fairness to this big stiff that was here yesterday, I haven't seen him for 15 or 16 years, and he hasn't seen me, to my knowledge. That is how much he's been around Philadelphia here with me.

MR. RICE. What is the situation there with respect to wire service? How are the books getting their race results there now?

MR. RICHARDSON. The wire service?

MR. RICE. Yes.

MR. RICHARDSON. Well, I don't know how they are getting it in there now. I understand everything is silent, as far as the wire service. I don't know anything about bookmaking or any of that gambling racket at all. If I was working on it, I would be familiar with everything around it.

MR. RICE. Wasn't Malbro up there?

MR. RICHARDSON. Yes. The joint used to be in Camden there at Third and Market, and that is where it came into Philadelphia. It came down to Jersey and come over here to Philadelphia.

MR. RICE. Did not Philadelphia bookies get their wire service from Malbro?

MR. RICHARDSON. I believe so. Now, I don't know anything about it, but I know that is where it come from. They had a place at 3915 Bearing Street, and I was operating and I turned it over to the director and he, in turn, give it to the vice-squad head.

MR. RICE. Who is the director?

MR. RICHARDSON. Director Malone.

MR. RICE. Did you ever have a list of customers of Malbro?

MR. RICHARDSON. I got a list of names off of Larry Dawn, chief of county detectives.

MR. RICE. Where is he? Was he ever in the Camden side?

MR. RICHARDSON. Yes. This was some time after an investigation by the State attorney general's office in Trenton of gambling activities in Camden. He is a friend of mine. Larry Dawn, who I worked with, chief of county detectives over there, and he called me and I sent one of our men over there and got it and turned it over to the vice-squad head in the presence of Rosenberg.

MR. RICE. This is recently, now?

MR. RICHARDSON. Yes.

MR. RICE. Rosenberg has only been in a short time?

MR. RICHARDSON. That is right. The date I got it. I think it is about 2 years ago, a year and a half ago.

MR. RICE. As the result of obtaining that list, which would naturally be a list of bookies, would it not, in Philadelphia—

MR. RICHARDSON. That is right. I think there was about 23 names on there.

MR. RICE. What did they do as a result of that?

Mr. RICHARDSON. I believe they raided the joints that was described in that thing, and previous to that I think they were put out of business, some of them, during raids.

Mr. RICE. As far as you know now, there is no wire service into Philadelphia?

Mr. RICHARDSON. I haven't bothered with it. If I was acquainted with the work, I would be damn glad to tell you everything about it.

The CHAIRMAN. It is your opinion that Rosen and Weisberg with remote control still have some connections with the numbers rackets, and what not, in Philadelphia?

Mr. RICHARDSON. Senator, I couldn't tell you. The way I believe? Yes; I believe they've got their nose in somewhere, but where, I couldn't tell you?

The CHAIRMAN. That was what you wrote us and that is what you wrote Danny Sullivan?

Mr. RICHARDSON. That is right.

The CHAIRMAN. That they were still actually the head of the Philadelphia operations?

Mr. RICHARDSON. Oh, no; I didn't say that. No, no; wait, Senator.

The CHAIRMAN. As of last year, when you wrote those letters?

Mr. RICHARDSON. No; I wrote that letter, I think, in 1949, didn't I? That is police information and the background of the men that he asked information on.

The CHAIRMAN. You wrote us a letter, I think.

Mr. RICHARDSON. That is right.

The CHAIRMAN. In July of last year, 1950.

Mr. RICHARDSON. No; I think it was—

The CHAIRMAN. Maybe Mr. Sullivan's letter was a little before that, but anyway as of the time you wrote those letters, that is what you thought about it?

Mr. RICHARDSON. That is right. I still think the same thing of them, Senator. They will muscle in wherever they got an opportunity. They will cut in wherever they got a—they thought they could clip you, they would come around and try to take you.

The CHAIRMAN. So you do not have a very high opinion of them?

Mr. RICHARDSON. I don't know. I know what they are, who they are. I know a hell of a lot about them, Senator.

The CHAIRMAN. Chief Richardson, I want you to claim your expenses for coming down here, your traveling expenses.

Mr. RICHARDSON. Oh, no, Senator.

The CHAIRMAN. We insist that you do that. I do not want you to be out anything for expenses.

Mr. RICHARDSON. It is not necessary. I come down here to defend myself.

The CHAIRMAN. It is quite apparent from this testimony that there is a diametrical conflict. I personally am very much impressed and persuaded by the testimony of Chief Richardson.

I am not familiar with all of his efforts toward law enforcement. Of course, some people do not like the chief, some people have axes to grind, and some make complaints. As of the time the committee first went up to Philadelphia there was a flourishing numbers racket operating in many sections of the town. I do not know whose fault it was, but I am glad to hear the chief say that since we have been there and

talked with the judges, that larger sentences have been imposed and it seems to be getting under better control. It is quite evident here that somebody has made a false statement. I believe Chief Richardson, as far as I am concerned.

Mr. RICHARDSON. Thank you, Senator. I appreciate that.

The CHAIRMAN. Is there anything else you want to add?

Mr. RICHARDSON. No. I just want to say since you people have been up there that I want to congratulate you. You are the cause, you certainly knocked them out of the box, because they are all hollering and got the earache now.

The CHAIRMAN. I am glad we have done some good, Chief.

Chief, I am going to release for public consumption and information your testimony given in executive session before the committee in Philadelphia back in October, so that all of your testimony can be considered.

Mr. RICHARDSON. I will be glad to let the people of Philadelphia know how I cooperated with you.

The CHAIRMAN. This will not be released until we have copies that can go around to all of the press.

Mr. RICHARDSON. There is Mr. Rice there, and Mr. Klein, came to my office. I give them a free hand of anything they wanted; isn't that right, Mr. Rice?

Mr. RICE. Splendid cooperation from you.

Mr. RICHARDSON. I mean I turned the files right over to you. There is everything there. If you want to know anything, I will be glad to answer it for you.

Mr. RICE. That is correct.

The CHAIRMAN. Anything else?

Mr. RICE. I think we have covered everything, Senator.

The CHAIRMAN. Thank you very much for coming down.

The committee will stand in recess until Thursday.

(Whereupon, at 4:35 p. m., the hearing was adjourned, to reconvene on Thursday, February 22, 1951, at 10 a. m.)

APPENDIX

EXHIBIT No. 1

STATEMENT BY SAMUEL H. ROSENBERG, DIRECTOR, DEPARTMENT OF PUBLIC SAFETY,
AUGUST 8, 1950

The record of the bureau of police in suppressing vice and gambling in Philadelphia is an outstanding one. It is a record in which I take great personal pride. It is a record which could not be accumulated by a department complacent in matters of vice and gambling.

Of particular significance in the attached figures are the number of book-making establishment headquarters and numbers banks which have been raided. These are the nerve centers in the conduct of the illegal activities without which it becomes extremely difficult to operate.

In addition to being the third-largest city in the country, Philadelphia is a great metropolitan center. Gambling in various forms undoubtedly exists, but it is becoming more and more difficult for the gamblers to ply their trade. The question is not whether gambling exists but whether the police are doing anything about it. A fair analysis will prove that the Philadelphia police are doing a great deal about it.

It is unfortunate that in every political campaign open war is declared on the police, always in terms of the greatest generalities. It is used by political opportunists because it makes good reading and is possibly good for a few votes.

Several of the sections of Philadelphia most often mentioned by critics are commanded by police officers of unquestioned integrity who have full and absolute control over police matters. They have the authority to cope with every situation without the slightest restraint from anyone. These officers would be the first to say that, in spite of the freedom which they have in doing their police work, gambling can be suppressed but never entirely eliminated. Anyone claiming that gambling and vice can be completely eliminated is either naive or insincere.

In a great metropolitan center it is manifestly unfair to spot a bookmaker doing business at a given point and cite that case as proof sufficient of widespread police laxity and corruption.

About a month ago the Philadelphia newspapers obtained a list of alleged booking headquarters from the congressional committee investigating gambling activities. Without advance publicity and without the knowledge of the police, the newspapers investigated every name and address appearing on the list. Not a single one proved to be in existence. This is proof of my contention that the gambling element is being kept on the run.

Life and Look magazines recently ran extensive articles on gambling activities throughout the country. Certainly there is some significance in the fact that, while most of the large cities were cited, Philadelphia was not even mentioned by name. In any discussion of big-time gambling and gamblers, Philadelphia is rarely if ever named. I am satisfied that Philadelphia is the cleanest city in the country in that respect.

A good indication of the effectiveness of the police is the loud complaints of protests expressed by people engaged in these rackets.

I say with complete confidence that not a single big-time gambling establishment exists in Philadelphia. There are no big syndicates, no gangs; there are no established houses of prostitution. Activities of this sort operate furtively. They operate with complete insecurity. They are raided and driven from location to location. They have no protection because under existing arrangements they do not know which of several police units will strike next. There

is a tremendous backlog of untried cases. What more can the police do? We have had encouraging indications that the courts are adopting a firmer attitude in dealing with cases involving gambling and vice. Such a disposition would be of inestimable help to the police.

Police work in all its branches—in crime, in gambling, in traffic control—is generally divided into two phases—prevention and detection. Not every violation of law can be prevented, nor can every violation be detected. The proper appraisal of any police department must be based on its records in prevention and detection. In such an appraisal the record of the Philadelphia Police Department is excellent.

I would welcome proof supported by evidence from any source that would disclose illicit operations. The citizens of Philadelphia may be sure that action would be certain and swift.

I urge the faithful members of the bureau of police to continue their work, which is becoming more and more effective every day, in every field of activity. I have complete confidence in them, and I feel that the great majority of our citizens share this confidence.

Numbers lottery banks raided during period from Jan. 1, 1949, to June 30, 1950

	Number of banks	Number of defendants arrested	Number of defendants tried in court	Number of defendants pending trial in court
Year 1949:				
Vice squad.....	43	113	96	11
Other units.....	14	36	27	1
Total.....	59	149	123	12
Year 1950 (January 1 to June 30):				
Vice squad.....	24	69	17	49
Other units.....	22	43	0	30
Total.....	46	112	17	79

Horse racing gambling headquarters raided during period from Jan. 1, 1949, to June 30, 1950

	Number of of headquar- ters	Number of defendants arrested	Number of defendants tried in court	Number of defendants pending trial in court
Year 1949:				
Vice squad.....	79	140	120	3
Other units.....	65	114	81	4
Total.....	144	254	201	7
Year 1950 (January 1 to June 30):				
Vice squad.....	50	86	18	62
Other units.....	89	134	14	88
Total.....	139	220	32	150

Recapitulation of summary of arrests for below offenses covering period from Jan. 1, 1946, to June 30, 1950

	Lottery, arrests	Lottery, court	Pool selling and book- making, arrests	Pool selling and book- making, court	Gambling house, arrests	Gambling house, court	Liquor, arrests	Liquor, court	Prostitution and assign- ment, arrests	Prostitution and assign- ment, court	Narcotics, arrests	Narcotics, court
Year 1946:												
Vice squad.....	903	664	347	104	238	66	567	418	262	260	10	7
Other units.....	234	109	65	15	234	47	269	169	128	68	167	134
Total.....	1,137	773	412	119	472	113	836	587	390	328	177	141
Year 1947:												
Vice squad.....	1,023	868	433	210	190	47	553	441	318	317	2	1
Other units.....	349	151	44	17	172	47	260	152	112	100	169	139
Total.....	1,372	1,049	477	227	362	94	813	593	430	417	171	140
Year 1948:												
Vice squad.....	991	951	477	381	148	108	505	409	462	472	4	3
Other units.....	320	237	62	13	146	73	321	249	90	85	259	215
Total.....	1,311	1,188	539	424	294	176	826	658	552	547	263	218
Year 1949:												
Vice squad.....	1,292	1,195	490	411	129	91	704	613	360	355	16	14
Other units.....	601	480	127	86	182	71	384	295	116	112	281	237
Total.....	1,896	1,675	617	497	311	162	1,088	938	476	467	297	251
Year 1950 (Jan. 1 to June 30):												
Vice squad.....	761	689	202	166	44	38	411	390	220	209	4	2
Other units.....	726	607	202	147	168	65	304	219	164	149	315	273
Total.....	1,487	1,296	404	313	212	103	715	600	384	358	319	275
Grand total.....	7,203	5,981	2,449	1,580	1,651	648	4,278	3,376	2,232	2,117	1,227	1,025

DEPARTMENT OF PUBLIC SAFETY,
BUREAU OF POLICE—VICE SQUAD,
Philadelphia, Pa.

From: Commanding Officer, Vice Squad.

To: Director of Public Safety.

Subject: Comprehensive report of arrests, and analysis, for period of January 1, 1946, to June 30, 1950, of gambling, vice, and liquor law violations.

In compliance with orders, a survey has been made in every district and unit in the bureau of police for statistical purposes, showing the results which have been attained during the period of January 1, 1946, to June 30, 1950, in enforcement of laws against gambling, liquor, and vice.

I am submitting herewith, mimeographed forms containing a recapitulation of all the data compiled in the course of this survey, and calling attention to the various high lights and trends which are of particular interest and significance. It will be noted that during the year of 1949, and in the first 6 months of 1950, vice, gambling, and liquor law violations in Philadelphia have been subjected to constantly increasing numbers of raids and arrests by the vice squad, the narcotics squad, and special details working under inspectors in command of the various police divisions.

NUMBERS LOTTERY ARRESTS

There has been an unprecedented increase in the number of arrests for setting up and maintaining an illegal lottery (numbers game), particularly in the first police division (South Philadelphia area); and the second police division (central city area); third police division (North Philadelphia area); and the fifth police division (West Philadelphia area); where new inspectors have been placed in command.

As a result of the over-all drive against vice and gambling which has gained steady impetus during the tenure of Director of Public Safety Samuel H. Rosenberg, there are now 969 defendants charged with setting up and maintaining an illegal lottery (numbers game) awaiting trial for court. Included among these defendants are numbers bankers, pick-up men, and writers; many of whom are old offenders who have numerous previous convictions on record, but who have usually escaped punishment by the payment of fines with probationary sentences. It is now apparent, however, that the judges in our courts are taking cognizance of these facts, and there are indications that some may start sentencing old offenders to prison when the courts open next month, at the end of the summer recess. The records show that several old offenders who were recently convicted on numbers lottery charges, were given jail sentences just before the courts recessed for the summer months, an action which in the past has been seldom resorted to. With the heavy backlog of untried lottery cases now pending court action, this could well be the beginning of a drive that may eventually smash the numbers game in Philadelphia; if this is accomplished, Philadelphia will have the distinction of becoming the first large city in the United States to break up this type of gambling.

An analysis of the data compiled shows that in 1946, 1,137 persons were arrested on the charge of setting up and maintaining an illegal lottery (numbers game); all of these defendants were principals, no frequenters have been included; of this number, only 773 were held for court. In 1947, a total of 1,372 persons were arrested on this charge, and of that number, 1,049 were held for court. In 1948, 1,311 persons were arrested on numbers lottery charges, and 1,188 were held for court by the magistrates.

In 1949, 1,896 defendants were arrested on numbers lottery charges; of this number, 1,675 were held for court; and for the 6-month period of January 1, 1950, to June 30, 1950, 1,487 defendants were arrested on these charges, and 1,296 were held for court.

The records show that approximately 88 percent of the persons arrested on numbers lottery charges are now being held for court by the magistrates, which is a 20-percent increase in the 4½-year period from January 1, 1946, to June 30, 1950. Convictions in court in numbers lottery cases show even a higher percentage, as slightly over 90 percent of vice squad cases have resulted in convictions during the past 18 months. Using these figures, it is logical to conclude that the same ratio would apply to arrests made in the various districts by other units.

The grand total for the period of 4½ years from January 1, 1946, to June 30, 1950, shows that in Philadelphia the police arrested 7,203 on the charge

of setting up and maintaining an illegal lottery, and of this number, 5,981 were held for court. Of the 7,203 arrests, 4,970 were made by the vice squad.

Convictions have always run very high in numbers lottery cases, but the punishment has been extremely mild. Vice squad records show that during the 4½-year period cited, the average number of convictions were never under 82 percent of the total number of defendants brought to trial. It will be noted that the total of 1,487 principals arrested on numbers lottery charges during the first 6 months of 1950, exceeds by 176 the entire number of defendants arrested during the entire year of 1948.

POOL SELLING AND BOOKMAKING ARRESTS

Statistics covering arrests for pool selling and bookmaking on the horse races, another form of gambling which has created a law-enforcement problem all over the Nation, show that the special units of the Philadelphia Bureau of Police have been very active during the years of 1949 and 1950 in combating this form of gambling. During the period of January 1, 1950, to June 30, 1950, a total of 404 defendants were arrested in the entire city for pool selling and bookmaking on the horse races (frequenters not included), and of this number, 313 were held for court, indicating a general average of 77 percent of the defendants in this category held by the magistrates for court trial. During the year of 1949, a total of 617 persons were arrested on this charge, and 497 were held for court, indicating a general average of 81 percent held for court by the magistrates. These results are very encouraging when compared with previous years. In 1946, for instance, a total of 412 persons were arrested on pool selling and bookmaking charges, of which, only 119 were held for court, indicating that the general average of persons held for court on this charge 4½ years ago was very low, in fact, slightly under 30 percent. At that time it was a common practice for magistrates to impose fines upon defendants on gambling charges, which probably accounts for the low percentage of persons held for court in this category.

The total number of defendants arrested for the 4½-year period, January 1, 1946, to June 30, 1950, is 2,449, of which, 1,580 were held for court. The courts and juries in dealing with offenders of this type have shown extreme leniency, and the percentage of convictions are much lower than in lottery cases.

These arrests for pool selling and bookmaking on the horse races were made in all types of places, such as stores, tap rooms, pool rooms, luncheonettes, office buildings, dwelling houses, and on the highways. The records show that many small bookmakers were arrested for plying their trade on the streets, but among the places raided were also a number of so-called horse race gambling headquarters or "offices," which are generally hidden from public view, and utilized for keeping records of bets transmitted by the small bookmakers, scattered around the city. Many defendants arrested in these "offices" have criminal records showing numerous arrests and convictions on gambling charges, but no jail sentences.

During the first 6 months of 1950, 202 defendants were arrested by the vice squad for pool selling and bookmaking on the horse races; of this number, 90 defendants were engaged in the operation of horse-race gambling headquarters or "offices." The remaining 112 persons were arrested on the streets and in stores and other places. It is worthy of note, that of the 90 defendants arrested for operating gambling horse-race headquarters, 78 in this more important category were held for court, but the majority of them have not been brought to trial, as yet.

GAMBLING HOUSE ARRESTS

In the data submitted covering arrests for gambling and vice in the city of Philadelphia, it will be noted that 1,651 persons were arrested in the 4½-year period from January 1, 1946, to June 30, 1950, for keeping and maintaining a gambling house (frequenters not included); of this number 648 were held for court. This is a rather general charge applied to persons who operate dice games and card games on a commercial basis. In this classification, the first 6 months of 1950 also shows a large increase in arrests. Two hundred and twelve persons were arrested during this period on this particular charge and 103 were held for court. The number of defendants held for court by the magistrates has no particular significance, as the majority of raids of this nature are made on places where small-scale gambling activities are found involving card and dice games.

Very few large gambling establishments have attempted to operate in Philadelphia in recent years, which is borne out by the fact that Philadelphia police are kept busy keeping the so-called "luggers" and "steerers" from congregating on the streets. These individuals make their livelihood by transporting persons in automobiles from cities which have no open gambling house in operation to other locations, usually within a 30- to 40-mile radius, where establishments featuring dice, cards, roulette, and similar games of chance are open to the gambling clientele.

GAMBLING DEVICES CONFISCATED

Statistics compiled show a decided decrease in the last 3 years in the confiscation of gambling devices such as slot machines and punchboards in Philadelphia. This decrease can doubtlessly be attributed to the fact that the police have relentlessly waged war on this type of gambling, and whenever gambling devices of this character have been found, they have been confiscated and destroyed.

It will be noted that in the year 1948, a total of 546 gambling devices were confiscated; this includes the regular "one-armed bandit" type machines, the penny slot machines, punchboards, and various other types of gambling devices. In 1949, the total number confiscated dropped to 150, and during the first 6 months of 1950, 104 such devices were confiscated. In cases of a serious nature the owners, distributors, and operators of gambling devices have been arrested on the charge of setting up and maintaining gambling devices. Prosecution on this charge, and the destruction of all devices confiscated, has brought satisfactory results in suppressing this type of gambling.

LIQUOR ARRESTS

Statistics on liquor law violations also show an upward trend in arrests during the years of 1949 and 1950. In 1949, there were 1,088 persons arrested on charges of violation of the Pennsylvania Liquor Control Act (frequenters not included); of this number, 938 were held for court, which is considered a very high percentage. In the period of January 1, 1950, to June 30, 1950, another increase is shown; 715 persons being arrested and 600 held for court. These figures indicate that a percentage of 85 percent of all defendants arrested in this classification were held for court. The total number of arrests in this category for the years 1946 to June 30, 1950, are 4,278 defendants, and 3,376 defendants held for court. For the purpose of comparison, attention is called to the years of 1946, 1947, and 1948, when the arrests amounted to about 825 persons annually, and the percentage held for court was about 12 percent lower. In the courts, however, the percentage of convictions is somewhat lower, and offenders are seldom sentenced to prison.

The arrests in this category include many types of violators, such as the operators of illicit stills, bootleggers set up for business in speakeasies reminiscent of prohibition days, and law breakers in licensed places such as clubs and tap rooms. In the period of January 1 to June 30, 1950, mentioned above, the vice squad alone arrested 411 defendants for violation of the Pennsylvania Liquor Control Act. Three hundred forty persons were apprehended in the operation of speakeasies, 15 were caught operating stills, one transporting liquor on the highway, and the 55 remaining were involved in violations taking place in licensed establishments.

PROSTITUTION AND ASSIGNATION ARRESTS

The records compiled on prostitution and assignation also indicate increased police activity against this type of law violation. During the first 6 months of 1950, 384 arrests were made in the entire city for prostitution and assignation, and 358 defendants were held for court or sent to the misdemeanants division of the municipal court to be dealt with summarily by the court. A total number of 2,117 defendants have been arrested on charges of prostitution and assignation during the period of January 1, 1946, to June 30, 1950 (frequenters not included), and of this number 2,117 were held. A small percentage of the defendants were convicted and sent to the county prison, others were sentenced to the house of correction, while a large percentage of offenders were placed under medical treatment and put on probation.

The increase in this category, however, is also worthy of mention because the records show that streetwalkers now form almost 50 percent of the defendants arrested on these charges, and very few defendants were apprehended in houses

of prostitution. The commercialized house of prostitution which flourished some years ago in large cities has been completely wiped out in Philadelphia. Many prostitutes, nevertheless, continue to operate in rooming houses, small hotels, and apartments, but there is no evidence of any organized traffic in vice of this nature here.

NARCOTICS ARRESTS

Strong enforcement of the narcotics laws in Philadelphia is reflected in the figures which show 319 defendants were arrested on narcotics charges for the first 6 months of 1950, and 275 were held for court. A comparison of this 18-month period with the three preceding years shows a notable increase in police activity in the enforcement of the narcotics laws. The total number of defendants held for court for narcotics offenses has consistently run around 83 percent during the entire period of January 1, 1946, to June 30, 1950, and the courts have generally dealt more severely with defendants involved in the drug traffic than those arrested for gambling. It appears that illicit commercialized dealers in narcotic drugs and many others in the traffic, including the peddlers and addicts, keep out of Philadelphia because the courts support the efforts of the police in the suppression of this type of vice.

CRAIG D. ELLIS, *Inspector, Vice Squad.*

EXHIBIT No. 5

DEPARTMENT OF PUBLIC SAFETY

BUREAU OF POLICE

PHILADELPHIA

PRISONER'S CRIMINAL RECORD

Name: Harry Rosen. White. Age 31 in 1932.

Alias Herman Stromberg, Hyman Stromberg, Nig Rosen, Joseph Bloom.

Number of photograph: No. S58240.

Criminal Record (as far as known):

November 18, 1928: Reckless discharge of firearms on highway; larceny of auto; carrying concealed deadly weapon; assault and battery; and aggravated assault and battery to kill. June 21, 1929, not guilty, direction of court, discharged—Judge Shull.

1915: New York, N. Y.; juvenile delinquency, sent to Jewish protectory.

1918: New York, N. Y.; robbery, discharged.

January 20, 1920: New York, N. Y.; robbery, discharged and returned to Jewish protectory for violation of parole, January 22, 1920.

April 20, 1922: New York, N. Y.; revolver, discharged, June 7, 1922.

December 20, 1922: New York, N. Y.; attempt burglary, January 19, 1923, 2½ years Elmira State Penitentiary.

October 7, 1925: New York, N. Y.; robbery, discharged.

July 9, 1930: White Plains, N. Y.; violation of National Prohibition Act, no disposition.

March 19, 1932: Idle disorderly person, suspicious character; discharged, Magistrate Roberts.

April 12, 1935: New York, N. Y.; fugitive from Philadelphia, Pa.; turned over to Philadelphia, Pa.

April 30, 1935: Setting up and maintaining an illegal lottery; conspiracy; June 4, 1935 to June 8, 1935. Not guilty; discharged—Judge Alessandrini.

September 15, 1936: Media, Pa.; inquiry.

January 5, 1937: Camden, N. J.; suspicious character; investigation; association with criminals; disorderly person; 6 months, Camden County jail and fined \$100. Served sentence.





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